

EXHIBIT A

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

COSTCO WHOLESALE
CORPORATION,

Plaintiff,

v.

TECHNICOLOR SA (f/k/a THOMSON
SA); TECHNICOLOR USA, INC. (f/k/a
THOMSON CONSUMER
ELECTRONICS, INC.); VIDEOCON
INDUSTRIES, LTD.; TECHNOLOGIES
DISPLAYS AMERICAS LLC (f/k/a
THOMSON DISPLAYS AMERICAS
LLC); MITSUBISHI ELECTRIC
CORPORATION; MITSUBISHI
ELECTRIC VISUAL SOLUTIONS
AMERICA, INC.; and MITSUBISHI
ELECTRIC & ELECTRONICS USA,
INC.,

Defendants.

No.

COMPLAINT AND JURY DEMAND [REDACTED]

Plaintiff Costco Wholesale Corporation submits this Complaint against all Defendants
named herein, and hereby alleges as follows:

COMPLAINT AND JURY DEMAND – 1

INTRODUCTION

1. Plaintiff Costco Wholesale Corporation (“Costco”) brings this action to recover those damages to Costco caused by a long-running conspiracy extending from at least March 1, 1995, through at least November 25, 2007 (the “**Relevant Period**”), conducted by an international cartel formed by Defendants and their co-conspirators. The purpose and effect of this conspiracy was to fix, raise, stabilize and maintain prices for cathode ray tubes (“**CRTs**”).

2. *Defendant Technicolor SA, which during the Relevant Period was known as Thomson SA, has admitted that it participated in the conspiracy to fix the prices of CRTs. In its 2011 Annual Report to shareholders, Technicolor SA stated that it “played a minor role in the alleged anticompetitive conduct [regarding CRTs].”* While Costco disputes that Technicolor SA’s role in the conspiracy was minor, whatever that may mean, and believes that discovery in this case to date has demonstrated and further discovery will demonstrate Technicolor SA’s role was substantial, there is no dispute that Technicolor SA participated in fixing the prices of CRTs. Following an investigation lasting four years, *in December 2012 the European Commission levied a fine of €38.6 million against Technicolor SA for participating in a conspiracy to fix CRT prices. In its 2012 Annual Report, Technicolor SA acknowledged that “[f]ollowing the European Commission decision, purchasers may bring individual claims against the Company seeking compensation for alleged loss suffered as a result of the anti-competitive conduct.”*

3. Defendants and their co-conspirators are or were among the leading manufacturers of: (a) color picture tubes (“**CPTs**”), which are CRTs used primarily in color televisions; (b) color display tubes (“**CDTs**”), which are CRTs used primarily in color computer monitors; and (c) electronic devices containing CPTs (such as televisions) or CDTs (such as computer monitors). For the purposes of this Complaint, CPTs of all sizes and the products containing them shall be referred to collectively as “**CPT Products**.” Also for the purposes of

1 this Complaint, CDTs of all sizes and the products containing them shall be referred to as “**CDT**
2 **Products.**” CDT Products and CPT Products shall be referred to collectively herein as “**CRT**
3 **Products.**”
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7 4. During the Relevant Period, Defendants and their co-conspirators controlled the
8 majority of the CRT industry, a multibillion dollar market, which in 1999 alone generated over
9 \$19 billion in gross revenue. During the Relevant Period, virtually every household in the
10 United States owned at least one CRT Product.
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14 5. Since the mid-1990s, the CRT industry faced significant economic pressures as
15 customer preferences for other emerging technologies shrank profits and threatened the
16 sustainability of the industry. In order to maintain price stability, increase profitability, and
17 decrease the erosion of pricing in the CRT market, Defendants and their co-conspirators
18 conspired, combined, and contracted to fix, raise, maintain, and stabilize the price at which CRTs
19 were sold in the United States.
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23 6. With respect to CRTs, Defendants, their co-conspirators and/or their agents
24 agreed, among other things, to (a) fix target prices and price guidelines; (b) exchange pertinent
25 information on, among other things, shipments, prices, production and customer demand; (c)
26 coordinate public statements regarding available capacity and supply; (d) resolve issues created
27 by asymmetrical vertical integration among some of the co-conspirators; (e) keep their collusive
28 meetings secret; (f) expose cheating on the agreements and to discuss the reconciliation of
29 accounts; (g) allocate market share of overall sales; (g) influence and, at times, coordinate pricing
30 with producers in other geographic areas; (h) limit competition for certain key customers; (i)
31 allocate customers; (j) allocate each producer’s share of certain key customers’ sales; and (k)
32 restrict output.
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36 7. The conspiracy concerning CRTs commenced with bilateral meetings that began
37 in at least March 1995 and continued throughout the Relevant Period. Also beginning in 1995,
38 the co-conspirators began to engage in informal group meetings. By 1997, these group meetings
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COMPLAINT AND JURY DEMAND – 3

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1 had become more formalized, as described in greater detail below. There were at least 500
2 conspiracy meetings during the Relevant Period, including hundreds of group meetings and
3 hundreds of bilateral meetings. These meetings occurred in various locales, including Taiwan,
4 South Korea, Indonesia, Thailand, Singapore, Malaysia, China, the U.K., Europe, and the United
5 States. These meetings included representatives from the highest levels of the respective
6 companies, as well as regional managers and others.

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13 8. During the Relevant Period, the conspiracy affected billions of dollars of
14 commerce throughout the United States.

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17 9. This conspiracy is being investigated by the United States Department of Justice
18 (“**DOJ**”) and by multiple foreign competition authorities, including the European Commission,
19 the Korean Fair Trade Commission, and the Japan Fair Trade Commission. Technicolor USA,
20 Inc. (f/k/a Thomson Consumer Electronics, Inc.) was subpoenaed by the DOJ in connection with
21 its investigation of CRT price-fixing. Technicolor SA is the subject of an investigation by the
22 Mexican Federal Competition Commission, and its affiliate in Brazil is under investigation by
23 the Brazilian Ministry of Justice for fixing the prices of CRTs. The first participant to be
24 indicted by the DOJ was C.Y. Lin, the former Chairman and CEO of co-conspirator Chunghwa
25 Picture Tubes, Ltd., who had a two-count indictment issued against him by a federal grand jury
26 in San Francisco on February 10, 2009. Since then, five more individuals have been indicted in
27 connection with Defendants’ CRT price-fixing conspiracy.

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39 10. In March 2011, co-conspirator Samsung SDI Company, Ltd. (“**Samsung SDI**”)
40 pleaded guilty to fixing the prices of CDTs during at least the nine-year period from January
41 1997 to March 2006. Samsung SDI paid a criminal fine to the United States of \$32 million. The
42 conspiracy to which Samsung SDI pleaded guilty was agreeing with its competitors and co-
43 conspirators to raise the prices of CDTs, to reduce output of CDTs, and to allocate target market
44 shares for the CDT market overall and for certain customers.

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51 11. During the Relevant Period, Costco purchased CRT Products in the United States

1 and elsewhere directly and indirectly from Defendants and their co-conspirators and/or
2 Defendants' and their co-conspirators' subsidiaries and affiliates and/or any agents Defendants or
3 Defendants' subsidiaries and affiliates controlled. Costco thus suffered damages as a result of
4 Defendants' and their co-conspirators' conspiracy, and brings this action to recover the
5 overcharges paid for the CRT Products containing price-fixed CRTs it purchased during the
6 Relevant Period.
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12 12. This case is related to and concerns the same anti-competitive conspiracy and
13 many of the same transactions and events that are presently pending in *Costco Wholesale*
14 *Corporation v. Hitachi, Ltd., et al.*, Individual Case No. 3:11-06397-SC (Master File No. 3:07-
15 cv-05944-SC, MDL No. 1917), before the Honorable Samuel Conti in the U.S. District Court for
16 the Northern District of California. Both this case and *Costco Wholesale Corporation v. Hitachi,*
17 *Ltd., et al.*, are suits for damages arising out of the conspiracy to fix the prices of and restrain
18 competition for CRTs in violation of the federal antitrust laws and state antitrust and unfair
19 competition laws.
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28 JURISDICTION AND VENUE

29 13. Plaintiff brings this action to recover damages, including treble damages under
30 Section 4 of the Clayton Act, costs of suit and reasonable attorneys' fees arising from
31 Defendants' violations of Section 1 of the Sherman Act (15 U.S.C. § 1).
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37 14. Plaintiff also brings this action pursuant to various state laws listed herein because
38 Costco purchased and sold in those states CRT Products from both Defendants (and their co-
39 conspirators) and non-defendant vendors that contained price-fixed CRTs manufactured by
40 Defendants and their co-conspirators.
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45 15. The Court has subject matter jurisdiction pursuant to Sections 4 and 16 of the
46 Clayton Act (15 U.S.C. §§ 15 and 26) and 28 U.S.C. §§ 1331 and 1337. The Court has
47 supplemental jurisdiction over Plaintiff's state law claims listed herein under 28 U.S.C. § 1367
48 because they arise from the same nucleus of operative facts alleged in this Complaint. Plaintiff's
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COMPLAINT AND JURY DEMAND – 5

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1 state law claims are so related to their claims under Section 1 of the Sherman Act that they form
2 part of the same case or controversy.
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5 16. The activities of Defendants and their co-conspirators, as described herein,
6 involved U.S. import trade or commerce and/or were within the flow of, were intended to, and
7 did have a direct, substantial and reasonably foreseeable effect on Unites States domestic and
8 import trade or commerce. This effect gives rise to Plaintiff's antitrust claims. During the
9 Relevant Period, Defendants' conspiracy affected the price of CRT Products purchased in the
10 United States. In particular, Defendants' and their co-conspirators' conspiracy directly and
11 substantially affected the price of CRT Products purchased and sold by Costco in the states
12 identified herein.
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21 17. This Court has jurisdiction over each Defendant named in this action under
22 Section 12 of the Clayton Act (15 U.S.C. § 22). Defendants and their co-conspirators purposely
23 availed themselves of the laws of the United States as they manufactured CRT Products for sale
24 in the United States, or CRTs that were incorporated into CRT Products Defendants and their co-
25 conspirators knew would be sold to customers in the United States. Defendants and their co-
26 conspirators knew would be sold to customers in the United States. Defendants and their co-
27 conspirators' conspiracy affected this commerce in CRT Products in the United States.
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33 18. Venue is proper in the Western District of Washington under Section 12 of the
34 Clayton Act (15 U.S.C. § 22) and 28 U.S.C. § 1391 because each Defendant is either an alien
35 corporation, transacts business in this District, or is otherwise found within this District. In
36 addition, venue is proper in this District under 28 U.S.C. § 1391 because a substantial part of the
37 events or omissions giving rise to this claim occurred in this District. Defendants and their co-
38 conspirators knew that CRT Products containing price-fixed CRTs would be sold and shipped
39 into this District.
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47 PARTIES

48 A. Plaintiff

49 19. Plaintiff Costco Wholesale Corporation is now a Washington corporation with its
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1 principal place of business in Issaquah, Washington. Costco operates throughout the United
2 States and elsewhere and sold CRT Products in its warehouses and on its website, Costco.com.

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4 20. Costco Wholesale Corporation is the result of the combination of two
5 companies: Costco and Price Club. Price Club was founded in San Diego, California, in 1976,
6 and grew to 76 United States stores by 1992, with over half in California. Costco was founded in
7 1983 in Washington and by 1992 had over 90 stores nationwide, with nearly half in California.
8 In 1993, Costco and Price Club merged, and Price/Costco, Inc. was formed and incorporated in
9 Delaware. As the new name suggested, the two companies were not fully integrated for many
10 years, and the company had two principal executive offices, in San Diego, California, and
11 Kirkland, Washington. Many headquarters functions continued in California during the Relevant
12 Period. In 1999, the company changed its name to Costco Wholesale Corporation and
13 reincorporated in Washington.
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15 21. During the Relevant Period, Costco purchased in the United States large numbers
16 of CRT Products whose prices were inflated by the conspiracy. Costco purchased and sold more
17 such CRT Products in California than in any other state during the Relevant Period. Costco's
18 negotiations for the purchase of CRT Products took place primarily in the United States, and the
19 basic choice of vendors was made from the company's headquarters. Decisions among approved
20 vendors and as to volumes to purchase were made in, and Costco purchase orders were created in
21 and issued from, regional offices located in multiple states including California, Washington,
22 Texas, Virginia, and Georgia. Costco issued more purchase orders for CRT Products from
23 California than from any other state. The purchase orders reflected the volumes affected by and
24 incorporated the supra-competitive prices resulting from the conspiracy. Invoices were sent to
25 Costco in Washington, with the invoices reflecting volumes and prices specified in purchase
26 orders issued from the regional offices.
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28 22. Costco received CRT Products at distribution centers located in states including
29 California, Washington, Illinois, Arizona, Utah, Texas, New Jersey, Georgia, and Florida.
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31 COMPLAINT AND JURY DEMAND – 7
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1 Costco received far more CRT Products in California than in any other state.

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3 23. Costco felt the effects of Defendants' conspiracy in all of its stores, as elevated
4 prices for CRT Products reduced sales of those products in each store, and reduced store income,
5 profits, and employment needs.
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8 24. Costco purchased finished products containing CRTs from some Defendants and
9 co-conspirators, from affiliates of some Defendants and co-conspirators, from companies that
10 have other important business arrangements with Defendants and co-conspirators, from
11 companies that cannot bring claims of their own due to the Foreign Trade Antitrust
12 Improvements Act, and from companies that have since gone out of business. There is no
13 realistic possibility that these sellers will seek to recover for the damage caused by the
14 conspiracy, and in fact they did not seek to recover before the expiration of the statute of
15 limitations. Many such sellers had their United States or only headquarters or centers of
16 operations in California and both paid overcharges there and passed them onto Costco there.
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27 **B. Defendants**

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29 **1. Thomson Entities**

30 25. Defendant Thomson SA (now known as Technicolor SA) ("**Thomson SA**") is a
31 French Corporation with its principal place of business located at 1-5 Rue Jeanne d'Arc 92130
32 Issy-les-Moulineaux, France. Thomson SA, on its own or through its wholly owned subsidiary
33 Thomson Consumer Electronics, Inc., and other subsidiaries, was a major manufacturer of CRTs
34 for the United States market, with plants located in the United States, Mexico, China, and
35 Europe. Thomson SA sold its CRTs internally to its television-manufacturing division, which
36 had plants in the United States and Mexico, and to other television manufacturers in the United
37 States and elsewhere. For much of the Relevant Period, the television manufacturing division of
38 Thomson SA manufactured and sold in the United States CRT televisions under the RCA and
39 GE brands. In July 2005, Thomson SA sold its CRT business to defendant and co-conspirator
40 Videocon Industries, Ltd. for €240 million. Simultaneously, Thomson SA invested a total of
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1 €240 million in Videocon, comprising a €225 million investment in Videocon Industries, Ltd.
2 and a €15 million investment in Videocon International, and acquired 13.1% of Videocon
3 Industries, Ltd. The agreement with Videocon provided that Thomson management would help
4 Videocon run the CRT business during the transition period and beyond. Videocon and
5 Thomson also agreed to set up Preferred Supplier Agreements for Thomson's display
6 components business. Thomson SA also received at least one seat on Videocon's board of
7 directors when it invested in Videocon Industries, Ltd. Thomson SA maintained at least a 10%
8 ownership interest in Videocon Industries, Ltd. for the remainder of the Relevant Period. In
9 January 2010, Thomson SA changed its name to Technicolor SA. During the Relevant Period,
10 Thomson SA manufactured, marketed, sold and/or distributed CRT Products, either directly or
11 through its subsidiaries or affiliates, to customers throughout the United States.
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22 26. Defendant Thomson Consumer Electronics, Inc. (now known as Technicolor
23 USA, Inc.) ("**Thomson Consumer**") is a United States corporation with its principal place of
24 business located at 10330 N Meridian St., Indianapolis, Indiana, 46290-1024. Thomson
25 Consumer is a wholly owned subsidiary of Thomson SA and was Thomson SA's primary
26 subsidiary for the manufacture and sales of CRTs in the United States during the Relevant
27 Period. Thomson Consumer was a major manufacturer of CRTs for the United States market,
28 with plants located in Scranton, Pennsylvania; Marion, Indiana; and Mexicali, Mexico. Thomson
29 Consumer sold its CRTs to television manufacturers in the United States, Mexico and elsewhere.
30 Thomson Consumer's CRT business was sold by its parent Thomson SA to Videocon Industries,
31 Ltd. in 2005. Simultaneously, Thomson Consumer's parent company Thomson SA invested
32 €240 million into Videocon Industries, Ltd. and obtained 13.1% ownership of Videocon
33 Industries, Ltd. Thomson SA also received at least one seat on Videocon's board of directors
34 when it invested in Videocon Industries, Ltd. The agreement with Videocon provided that
35 Thomson management would help Videocon run the CRT business during the transition period
36 and beyond. Videocon and Thomson also to set up Preferred Supplier Agreements for
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1 Thomson's displays components businesses. Thomson SA maintained at least a 10% ownership
2 interest in Videocon Industries, Ltd. throughout the Relevant Period. Thomson Consumer was a
3 parent corporation of its wholly owned subsidiary, Thomson Displays Americas LLC. In
4 January 2010, Thomson Consumer Electronics, Inc. changed its name to Technicolor USA, Inc.
5 During the Relevant Period, Thomson Consumer manufactured, marketed, sold and/or
6 distributed CRT Products either directly or through its subsidiaries or affiliates throughout the
7 United States.
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15 27. Defendant Thomson SA had sufficient minimum contacts with the United States
16 during the Relevant Period for it to be subject to personal jurisdiction in the United States.
17 Thomson SA purposefully availed itself of the United States market for CRTs and CRT products.
18 Thomson SA fixed prices and constrained competition on CRTs it and its wholly owned
19 subsidiary in the United States, Thomson Consumer, sold in the United States. Thomson SA had
20 significant contacts with the United States, and it dominated and/or controlled the finances,
21 policies, and/or affairs of its U.S.-based subsidiary, Thomson Consumer, relating to the antitrust
22 violations alleged in this Complaint. During the Relevant Period, Thomson SA was a large
23 multinational industrial and technology company. Thomson SA was neither a mere holding
24 company nor a corporate shell, and its subsidiaries, including Thomson Consumer, were more
25 than simple investment mechanisms for diversifying risk. Thomson SA had a controlling role in
26 the operation of its subsidiaries and exercised a central management function over its
27 subsidiaries, including Thomson Consumer, which served the function of servicing the pivotal
28 U.S. CRT market. During the Relevant Period, 40–50% of Thomson SA's revenues were
29 derived from the United States, and Thomson SA's CEO described the United States as Thomson
30 SA's most important market. Thomson SA managed its business centrally, including that of U.S.
31 subsidiary Thomson Consumer, and its management and board of directors set its policies and
32 direction. Thomson SA employees oversaw the United States profits and losses associated with
33 Thomson Consumer's high-end and value TV businesses. Thomson SA also was involved in
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planning and purchasing discussions with U.S. CRT customers, Thomson SA had to approve the purchases made by U.S. customers, and Thomson SA was involved in CRT production and pricing discussions relating to CRTs manufactured in Mexico for the North American market. During the Relevant Period, many Thomson SA executives also served as executives and/or board members of Thomson Consumer, and Thomson Consumer executives served as executive officers of or directors of Thomson SA, including the Chairman and CEO of Thomson SA who simultaneously served as the President and CEO of Thomson Consumer, and thereafter as the Chairman of Thomson Consumer:

Name	Role with Thomson SA	Role with Thomson Consumer
Thierry Breton	Chairman and CEO (1997–2001); Member, Board of Directors (2002–2005)	President & CEO (1997–2000); Chairman (1997–2001)
Olivier Mallet	Senior Vice President, Finance (1996–2000)	Director (1999–2000)
Charles Dehelly	Senior Executive Vice President (1998–2000); Senior Executive Vice President and COO (2001); CEO (2002–2004)	Director (2002–2003)
Julian Waldron	Senior Executive Vice President, CFO (2001–2007); Interim CEO and Senior Executive Vice President, CFO (2007–2008)	Director (2001–2007)
Frederic Rose	CEO (2008–present)	Chairman (2012–present)

Moreover, numerous other Thomson SA “Executive Officers” had operational responsibilities in the United States: Jim Meyer was Senior Executive Vice President of SBUs Americas, Multimedia Products and New Media Services; Al Arras was Executive Vice President of SBU Audio and Communications; Michael O’Hara was Senior Vice President of SBU Americas; and Enrique Rodriguez was Vice President of SBU Multimedia Products. All were stationed at Thomson Consumer in Indianapolis, Indiana.

28. Thomson SA and Thomson Consumer are collectively referred to herein as “**Thomson.**”

COMPLAINT AND JURY DEMAND – 11

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2. Videocon

29. Defendant Videocon Industries, Ltd. (“**Videocon**”) is an Indian corporation with its principal place of business located at Aurangabad Paithan Road 14, KM Stone, Chitegaon, Aurangabad 431005, India. In 2005, Videocon acquired Thomson’s CRT business for €240 million, which included facilities and personnel in the United States, Poland, Italy, Mexico and China. The deal for Videocon to acquire Thomson SA’s CRT business was completed through a special purpose vehicle, Eagle Electronics. At the same time that Videocon purchased Thomson’s CRT business, Thomson SA invested a total of €240 million in Videocon, comprising a €225 million investment in Videocon Industries, Ltd. and a €15 million investment in Videocon International, and acquired 13.1% of Videocon Industries, Ltd. The agreement with Videocon provided that Thomson management would help Videocon run the CRT business during the transition period and beyond. Videocon and Thomson also to set up Preferred Supplier Agreements for Thomson’s displays components businesses. Thomson SA maintained at least a 10% ownership interest in Videocon throughout the Relevant Period. Thomson SA also received one or more seats on Videocon’s board of directors when it invested in Videocon. Videocon’s purchase of Thomson’s CRT business included acquisition of Thomson Displays Americas LLC (now known as Technologies Displays Americas, LLC) and its Mexican subsidiary, Thomson Displays Mexicana, S.A. de C.V. (now known as Technologies Displays Mexicana, S.A. de C.V.), including their facilities and personnel located in the United States, through Videocon’s wholly owned investment entity located in the Cayman Islands, Eagle Corporation Limited. Videocon manufactured CRTs for the United States market in Thomson’s former CRT plants in Mexicali, Mexico and China. During the Relevant Period, Videocon manufactured, marketed, sold and/or distributed CRT Products, either directly or indirectly through its subsidiaries or affiliates, to customers throughout the United States.

3. Technologies Displays

30. Defendant Technologies Displays Americas LLC (formerly Thomson Displays

Americas LLC) (“**TDA**”) is a Delaware limited liability company with its principal place of business located at 1778 Carr Road Ste 4B, Calexico, California, 92231. TDA is a wholly owned subsidiary of Videocon. TDA acquired Thomson’s U.S. CRT assets in 2005 after a period of cooperation and transition with Thomson entities subsequent to and in connection with the purchase and sale in 2005. TDA was originally formed with its governing members represented equally from both Thomson and Videocon. TDA is owned by Eagle Corp., Ltd. Eagle Corp., Ltd. became a wholly owned subsidiary of Videocon on December 31, 2005, after Videocon acquired the balance 81% equity stake in Eagle Corp., Ltd. Eagle Corp. acquired TDA in September 2005. In August 2005, Thomson Consumer made a capital contribution to TDA in the form of a transfer of assets and contract rights related to TDA’s North American CRT business. TDA is the parent corporation of its co-conspirator, Technologies Displays Mexicana, S.A. de C.V., a Mexican corporation that during the Relevant Period manufactured CRTs and sold the CRTs to TDA for sale and distribution. During the Relevant Period, TDA manufactured, marketed, sold and/or distributed CRT Products, either directly or indirectly through its subsidiaries or affiliates, to customers throughout the United States. Defendants Thomson and then Videocon dominated and/or controlled the finances, policies, and/or affairs of TDA and its subsidiary Technologies Displays Mexicana, S.A. de C.V., relating to the antitrust violations alleged in this Complaint. Two high-level Thomson managers—Thomson’s Managing Director of NAFTA Sales, Jack K. Brunk (“**Brunk**”), and Thomson’s General Manager, James P. Hanrahan (“**Hanrahan**”)—transitioned to work for TDA after it acquired Thomson’s CRT business. In addition, TDA referred to itself as a “Thomson” business after Videocon’s acquisition of Thomson’s CRT business. TDA and Technologies Displays Mexicana, S.A. de C.V., are collectively referred to as “**Technologies Displays**”

4. Mitsubishi Entities

31. Defendant Mitsubishi Electric Corporation (“**Mitsubishi Electric Japan**”) is a Japanese corporation located at Building 2-7-3, Marunouchi, Chiyoda-ku, Tokyo 100-8310,

1 Japan. Mitsubishi Electric is a Fortune Global 500 Company that was ranked 214 in 2011 and
2 that had combined net sales of over \$44 billion in 2012. It has various subsidiaries operating in
3 the United States, Mexico and Canada. Mitsubishi Electric Japan and its subsidiaries
4 manufactured CRTs in factories located in Japan, Taiwan, Mexico and Canada for sale in the
5 United States. These CRTs were sold internally to Mitsubishi's television and monitor
6 manufacturing division and to other television and monitor manufacturers in the United States
7 and elsewhere. Mitsubishi's television and monitor division also purchased CRTs from other
8 CRT manufacturers. During the Relevant Period, Mitsubishi Electric Japan manufactured,
9 marketed, sold and distributed CRT Products in the United States.

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19 32. Defendant Mitsubishi Electric & Electronics USA, Inc. ("**Mitsubishi Electric**
20 **USA**") is a United States corporation located at 5665 Plaza Drive, Cypress, California, 90630.
21 Mitsubishi Electric USA is a wholly-owned subsidiary of Mitsubishi Electric Japan. Mitsubishi
22 Electric USA manufactured CRTs for the United States market in plants located in Mexicali,
23 Mexico and Ontario, Canada. Mitsubishi Electric USA sold its CRTs internally to its television
24 and monitor manufacturing division and to other television and monitor manufacturers in the
25 United States and elsewhere. Mitsubishi's television and monitor division also purchased CRTs
26 from other CRT manufacturers. During the Relevant Period, Mitsubishi Electric USA
27 manufactured, marketed, sold and distributed CRT Products in the United States.

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37 33. Defendant Mitsubishi Electric Visual Solutions America, Inc. (f/k/a Mitsubishi
38 Digital Electronics America, Inc.) ("**Mitsubishi Digital**") is a United States corporation located
39 at 9351 Jeronimo Road, Irvine, California, 92618. Mitsubishi Digital is a wholly-owned
40 subsidiary of Mitsubishi Electric Japan. During the Relevant Period, Mitsubishi Digital
41 manufactured, marketed, sold and distributed CRT Products in the United States.

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47 34. Mitsubishi Electric Japan, Mitsubishi Electric USA and Mitsubishi Digital are
48 collectively referred to herein as "**Mitsubishi**."

1 **C. Co-Conspirators**

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3 35. Various persons and firms not named as Defendants in this Complaint participated
4 as co-conspirators in the violations alleged herein and performed acts and made statements in
5 furtherance of the conspiracy to fix, raise, stabilize, and maintain prices for CRTs. Many of
6 these co-conspirators are named as defendants in the related case *Costco Wholesale Corporation*
7 *v. Hitachi, Ltd., et al.*, Individual Case No. 3:11-06397-SC (Master File No. 3:07-cv-05944-SC,
8 MDL No. 1917), originally filed in this Court and transferred to the Northern District of
9 California for coordinated or consolidated pretrial proceedings pursuant to 28 U.S.C. § 1407.
10 Specific information regarding the identity of these co-conspirators and their participation in the
11 CRT price-fixing conspiracy is set forth in the First Amended Complaint and Jury Demand in
12 *Costco Wholesale Corporation v. Hitachi, Ltd., et al.*, Individual Case No. 3:11-06397-SC (Dkt.
13 No. 1982 in Master File No. 3:07-cv-05944-sc).

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15 36. Co-conspirator Hitachi, Ltd. (“**Hitachi, Ltd.**”) is a Japanese company with its
16 principal place of business at 6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo, 100-8280, Japan.
17 Hitachi, Ltd. is the parent company for the Hitachi brand of CRT Products. In 1996, Hitachi,
18 Ltd.’s worldwide market share for color CRTs was 20 percent. During the Relevant Period,
19 Hitachi, Ltd. manufactured, marketed, sold and/or distributed CRT Products, either directly or
20 through its subsidiaries or affiliates, throughout the United States.

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22 37. Co-conspirator Hitachi Displays, Ltd. (“**Hitachi Displays**”) is a Japanese
23 company with its principal place of business located at 3300 Hayano, Mobara-shi, Chiba-ken,
24 297-8622, Japan. Hitachi Displays was originally established as Mobara Works of Hitachi, Ltd.
25 in Mobara City, Japan, in 1943. In 2002, all the departments of planning, development, design,
26 manufacturing and sales concerned with the display business of Hitachi, Ltd. were spun off to
27 create a separate company called Hitachi Displays. During the Relevant Period, Hitachi Displays
28 manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
29 subsidiaries or affiliates, throughout the United States. Co-conspirator Hitachi, Ltd. dominated

1 and controlled the finances, policies and affairs of Hitachi Displays relating to the antitrust
2 violations alleged in this complaint.
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5 38. Co-conspirator Hitachi America, Ltd. (“**Hitachi America**”) is a New York
6 company with its principal place of business located at 50 Prospect Avenue, Tarrytown, New
7 York 10591. Hitachi America is a wholly-owned and controlled subsidiary of Defendant
8 Hitachi, Ltd. During the Relevant Period, Hitachi America manufactured, marketed, sold and/or
9 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
10 United States. Co-conspirator Hitachi, Ltd. dominated and controlled the finances, policies and
11 affairs of Hitachi America relating to the antitrust violations alleged in this complaint.
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19 39. Co-conspirator Hitachi Asia, Ltd. (“**Hitachi Asia**”) is a Singaporean company
20 with its principal place of business located at 7 Tampines Grande, #08-01 Hitachi Square,
21 Singapore 528736. Hitachi Asia is a wholly-owned and controlled subsidiary of Defendant
22 Hitachi, Ltd. During the Relevant Period, Hitachi Asia manufactured, marketed, sold and/or
23 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
24 United States. Co-conspirator Hitachi, Ltd. dominated and controlled the finances, policies and
25 affairs of Hitachi Asia relating to the antitrust violations alleged in this complaint.
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33 40. Co-conspirator Hitachi Electronic Devices (USA), Inc. (“**HEDUS**”) is a Delaware
34 corporation with its principal place of business located at 1000 Hurricane Shoals Road Suite D-
35 100, Lawrenceville, GA 30043. HEDUS is a subsidiary of Defendant Hitachi, Ltd and Hitachi
36 Displays. During the Relevant Period, HEDUS manufactured, marketed, sold and/or distributed
37 CRT Products, either directly or through its subsidiaries or affiliates, throughout the United
38 States. Co-conspirators Hitachi, Ltd. and Hitachi Displays dominated and controlled the
39 finances, policies and affairs of HEDUS relating to the antitrust violations alleged in this
40 complaint.
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49 41. Co-conspirator Shenzhen SEG Hitachi Color Display Devices, Ltd. (“**Hitachi**
50 **Shenzhen**”) was a Chinese company with its principal place of business located at 5001
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1 Huanggang Road, Futian District, Shenzhen 518035, China. Hitachi Displays, Ltd. owned at
2 least a 25% interest in Hitachi Shenzhen until November 8, 2007 (which was coincidentally
3 around the time that the government investigations into the CRT industry began). Thus, Hitachi
4 Shenzhen was a member of the Hitachi corporate group for all but the last two weeks of the
5 Relevant Period. During the Relevant Period, Hitachi Shenzhen manufactured, marketed, sold
6 and/or distributed CRT Products, either directly or through its subsidiaries or affiliates,
7 throughout the United States. Co-conspirators Hitachi, Ltd. and Hitachi Displays dominated and
8 controlled the finances, policies and affairs of Hitachi Shenzhen relating to the antitrust
9 violations alleged in this complaint.
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18 42. Co-conspirators Hitachi Ltd., Hitachi Displays, Hitachi America, Hitachi Asia,
19 HEDUS and Hitachi Shenzhen are collectively referred to herein as “**Hitachi**.”
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23 43. Co-conspirator IRICO Group Corporation (“**IGC**”) is a Chinese company with its
24 principal place of business located at 1 Caihong Rd., Xianyang City, Shaanxi Province 712021.
25 IGC is the parent company for multiple subsidiaries engaged in the manufacture, marketing,
26 distribution and sale of CRT Products. During the Relevant Period, IGC manufactured,
27 marketed, sold and/or distributed CRT Products, either directly or through its subsidiaries or
28 affiliates, throughout the United States.
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35 44. Co-conspirator IRICO Group Electronics Co., Ltd. (“**IGE**”) is a Chinese company
36 with its principal place of business located at 1 Caihong Rd., Xianyang City, Shaanxi Province
37 712021. IGE is owned by Defendant IGC. According to its website, IGE was the first CRT
38 manufacturer in China and one of the leading global manufacturers of CRTs. Its website also
39 claims that in 2003 it was the largest CRT manufacturer in China in terms of production and
40 sales volume, sales revenue and aggregated profit, and taxation. During the Relevant Period,
41 IGE manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
42 subsidiaries or affiliates, throughout the United States. Co-conspirator IGC dominated and
43 controlled the finances, policies and affairs of IGE relating to the antitrust violations alleged in
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1 this complaint.

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3 45. Co-conspirator IRICO Display Devices Co., Ltd. (“**IDDC**”) is a Chinese company
4 with its principal place of business located at No. 16, Fenghui South Road West, District High-
5 tech Development Zone, Xi’an, SXI 710075. IDDC is a partially-owned subsidiary of co-
6 conspirator IGC. In 2006, IDDC was China’s top CRT maker. During the Relevant Period,
7 IDDC manufactured, marketed, distributed and/or sold CRT Products, either directly or through
8 its subsidiaries or affiliates, throughout the United States. Co-conspirator IGC dominated and
9 controlled the finances, policies and affairs of IDDC relating to the antitrust violations alleged in
10 this complaint.
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14 46. Co-conspirators IGC, IGE and IDDC are collectively referred to herein as
15 “**IRICO**.”
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19 47. Co-conspirator LG Electronics, Inc. (“**LGEI**”) is a corporation organized under
20 the laws of the Republic of Korea with its principal place of business located at LG Twin
21 Towers, 20 Yeouido-dong, Yeongdeungpo-gu, Seoul 150-721, South Korea. LGEI is a \$48.5
22 billion global force in consumer electronics, home appliances and mobile communications,
23 which established its first overseas branch office in New York in 1968. The company’s name
24 was changed from Gold Star Communications to LGEI in 1995, the year in which it also
25 acquired Zenith in the United States. In 2001, LGEI transferred its CRT business to a 50/50 joint
26 venture with co-conspirator Koninklijke Philips Electronics N.V. called LG.Philips Displays
27 (“**LGPD**”). On April 1, 2007, LGPD became an independent company and changed its name to
28 LP Displays International Ltd. During the Relevant Period, LGEI manufactured, marketed, sold
29 and/or distributed CRT Products, either directly or through its subsidiaries or affiliates,
30 throughout the United States.
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34 48. Co-conspirator LG Electronics USA, Inc. (“**LGEUSA**”) is a Delaware corporation
35 with its principal place of business located at 1000 Sylvan Ave., Englewood Cliffs, New Jersey
36 07632. LGEUSA is a wholly-owned and controlled subsidiary of co-conspirator LGEI. During
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COMPLAINT AND JURY DEMAND – 18

1 the Relevant Period, LGEUSA manufactured, marketed, sold and/or distributed CRT Products,
2 either directly or through its subsidiaries or affiliates, throughout the United States. Co-
3 conspirator LGEI dominated and controlled the finances, policies and affairs of LGEUSA
4 relating to the antitrust violations alleged in this complaint.
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9 49. Co-conspirator LG Electronics Taiwan Taipei Co., Ltd. ("**LGETT**") is a
10 Taiwanese entity with its principal place of business located at 7F, No. 47, Lane 3, Jihu Road,
11 NeiHu District, Taipei City, Taiwan. LGETT is a wholly-owned and controlled subsidiary of co-
12 conspirator LGEI. During the Relevant Period, LGETT manufactured, marketed, sold and/or
13 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
14 United States. Co-conspirator LGEI dominated and controlled the finances, policies and affairs
15 of LGETT relating to the antitrust violations alleged in this complaint.
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23 50. Co-conspirators LGEI, LGEUSA and LGETT are collectively referred to herein
24 as "**LG Electronics**."
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27 51. Co-conspirator LP Displays International Ltd. f/k/a LGPD ("**LP Displays**") is a
28 Hong Kong company located at Corporate Communications, 6th Floor, ING Tower, 308 Des
29 Voeux Road Central, Sheung Wan, Hong Kong. LP Displays is the successor entity to LGPD,
30 which was created in 2001 as a 50/50 joint venture between co-conspirators LGEI and Royal
31 Philips. In March 2007, LP Displays became an independent company. LP Displays is a leading
32 supplier of CRTs for use in television sets and computer monitors with annual sales for 2006 of
33 over \$2 billion and a market share of 27%. LP Displays announced in March 2007 that Royal
34 Philips and LGEI would cede control over the company and the shares would be owned by
35 financial institutions and private equity firms. During the Relevant Period, LP Displays
36 manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
37 subsidiaries or affiliates, throughout the United States.
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49 52. Co-conspirator Panasonic Corporation, which was at all times during the Relevant
50 Period known as Matsushita Electric Industrial Co, Ltd. and only became Panasonic Corporation
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1 on October 1, 2008, is a Japanese entity located at 1006 Oaza Kadoma, Kadoma-shi, Osaka 571-
2 8501, Japan. During the Relevant Period, Panasonic Corporation manufactured, marketed, sold
3 and/or distributed CRT Products, either directly or through its subsidiaries or affiliates,
4 throughout the United States.
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9 53. Co-conspirator Panasonic Corporation of North America (“**PCNA**”) is a Delaware
10 corporation with its principal place of business located at One Panasonic Way, Secaucus, New
11 Jersey 07094. PCNA is a wholly-owned and controlled subsidiary of co-conspirator Panasonic
12 Corporation. During the Relevant Period, PCNA manufactured, marketed, sold and/or
13 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
14 United States. Co-conspirator Panasonic Corporation dominated and controlled the finances,
15 policies and affairs of PCNA relating to the antitrust violations alleged in this complaint.
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23 54. Co-conspirator Matsushita Electronic Corporation (Malaysia) Sdn. Bhd.
24 (“**Matsushita Malaysia**”) was a Malaysian company with its principal place of business located
25 at Lot 1, Persiaran Tengku Ampuan Section 21, Shah Alam Industrial Site, Shah Alam Malaysia
26 40000. Matsushita Malaysia was a wholly-owned and controlled subsidiary of co-conspirator
27 Panasonic Corporation. Panasonic Corporation transferred Matsushita Malaysia to MT Picture
28 Display Co., Ltd. (“**MTPD**”), its CRT joint venture with Toshiba Corporation, in 2003. It was
29 re-named MT Picture Display (Malaysia) Sdn. Bhd. and operated as a wholly-owned subsidiary
30 of MTPD until its closure in 2006. During the Relevant Period, Matsushita Malaysia
31 manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
32 subsidiaries or affiliates, throughout the United States. Co-conspirator Panasonic Corporation
33 dominated and controlled the finances, policies and affairs of Matsushita Malaysia relating to the
34 antitrust violations alleged in this complaint.
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47 55. Co-conspirators Panasonic Corporation, PCNA, and Matsushita Malaysia are
48 collectively referred to herein as “**Panasonic**.”
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50 56. Co-conspirator MT Picture Display Co., Ltd., f/k/a Matsushita Toshiba Picture
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1 Display Co., Ltd. (“**MTPD**”) is a Japanese entity located at 1-15 Matsuo-cho, Kadoma-shi,
2 Osaka, 571-8504, Japan. In 2002, Panasonic Corporation entered into a joint venture with co-
3 conspirator Toshiba Corporation called Matsushita Toshiba Picture Display Co., Ltd. to
4 manufacture CRTs. Panasonic Corporation was the majority owner with 64.5 percent. On
5 March 30, 2007, Panasonic Corporation purchased the remaining 35.5 percent stake in the joint
6 venture, making Matsushita Picture Display Co., Ltd. a wholly-owned subsidiary of Panasonic
7 Corporation, and renaming it MT Picture Display Co., Ltd. During the Relevant Period, MTPD
8 manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
9 subsidiaries or affiliates, throughout the United States.

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19 57. Co-conspirator Beijing Matsushita Color CRT Co., Ltd. (“**BMCC**”) is a Chinese
20 company with its principal place of business located at No. 9 Jiuxianqiao N. Rd., Dashanzi
21 Chaoyang District, Beijing, China. BMCC is a joint venture company, 50% of which is held by
22 co-conspirator MTPD. The other 50% is held by Beijing Orient Electronics (Group) Co., Ltd.,
23 China National Electronics Import & Export Beijing Company (a China state-owned enterprise),
24 and Beijing Yayunchun Branch of the Industrial and Commercial Bank of China (a China state-
25 owned enterprise). Formed in 1987, BMCC was Panasonic Corporation’s first CRT
26 manufacturing facility in China. BMCC is the second largest producer of CRTs for televisions in
27 China. During the Relevant Period, BMCC manufactured, marketed, sold and/or distributed
28 CRT Products, either directly or through its subsidiaries or affiliates, throughout the United
29 States.

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41 58. Co-conspirator Koninklijke Philips Electronics N.V. a/k/a Royal Philips
42 Electronics (“**Royal Philips**”) is a Dutch company with its principal place of business located at
43 Amstelplein 2, 1070 MX Amsterdam, The Netherlands. Royal Philips, founded in 1891, is one
44 of the world’s largest electronics companies, with 160,900 employees located in over 60
45 countries. Royal Philips had sole ownership of its CRT business until 2001. In 2001, Royal
46 Philips transferred its CRT business to a 50/50 joint venture with co-conspirator LGEI, forming
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1 co-conspirator LGPD (n/k/a LP Displays). In December 2005, as a result of increased pressure
2 on demand and prices for CRT Products, Royal Philips wrote off the remaining book value of
3 126 million Euros of its investment and said it would not inject further capital into the venture.
4 During the Relevant Period, Royal Philips manufactured, marketed, sold and/or distributed CRT
5 Products, either directly or through its subsidiaries or affiliates, throughout the United States.
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11 59. Co-conspirator Philips Electronics North America Corporation (“**Philips**
12 **America**”) is a Delaware corporation with its principal place of business located at 1251 Avenue
13 of the Americas, New York, New York 10020-1104. Philips America is a wholly-owned and
14 controlled subsidiary of co-conspirator Royal Philips. During the Relevant Period, Philips
15 America manufactured, marketed, sold and/or distributed CRT Products, either directly or
16 through its subsidiaries or affiliates, throughout the United States. Co-conspirator Royal Philips
17 dominated and controlled the finances, policies and affairs of Philips America relating to the
18 antitrust violations alleged in this complaint.
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27 60. Co-conspirator Philips Electronics Industries (Taiwan), Ltd. (“**Philips Taiwan**”)
28 is a Taiwanese company with its principal place of business located at 15F 3-1 Yuanqu Street,
29 Nangang District, Taipei, Taiwan. Philips Taiwan is a subsidiary of co-conspirator Royal
30 Philips. During the Relevant Period, Philips Taiwan manufactured, marketed, sold and/or
31 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
32 United States. Co-conspirator Royal Philips dominated and controlled the finances, policies and
33 affairs of Philips Taiwan relating to the antitrust violations alleged in this complaint.
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41 61. Co-conspirator Philips da Amazonia Industria Electronica Ltda. (“**Philips**
42 **Brazil**”) is a Brazilian company with its principal place of business located at Av Torquato
43 Tapajos 2236, 1 andar (parte 1), Flores, Manaus, AM 39048-660, Brazil. Philips Brazil is a
44 wholly-owned and controlled subsidiary of co-conspirator Royal Philips. During the Relevant
45 Period, Philips Brazil manufactured, marketed, sold and/or distributed CRT Products, either
46 directly or through its subsidiaries or affiliates, throughout the United States. Co-conspirator
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Royal Philips dominated and controlled the finances, policies and affairs of Philips Brazil relating to the antitrust violations alleged in this complaint.

62. Co-conspirators Royal Philips, Philips America, Philips Taiwan and Philips Brazil are collectively referred to herein as “**Philips**.”

63. Co-conspirator Samsung SDI Co., Ltd. f/k/a Samsung Display Device Company (“**Samsung SDI**”) is a South Korean company with its principal place of business located at 575 Shin-dong, Youngtong-gu, Suwon, South Korea. Samsung SDI is a public company. Samsung Electronics Corporation (“**SEC**”) is a major shareholder of Samsung SDI, holding almost 20 percent of the stock. Founded in 1970, Samsung SDI claims to be the world’s leading company in the display and energy business, with 28,000 employees and facilities in 18 countries. In 2002, Samsung SDI held a 34.3% worldwide market share in the market for CRTs; more than any other producer. Samsung SDI has offices in Chicago and San Diego. During the Relevant Period, Samsung SDI manufactured, marketed, sold and/or distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the United States. SEC dominated and controlled the finances, policies and affairs of Samsung SDI relating to the antitrust violations alleged in this complaint.

64. Co-conspirator Samsung SDI America, Inc. (“**Samsung SDI America**”) is a California corporation with its principal place of business located at 3333 Michelson Drive, Suite 700, Irvine, California 92612. Samsung SDI America is a wholly-owned and controlled subsidiary of co-conspirator Samsung SDI. During the Relevant Period, Samsung SDI America manufactured, marketed, sold and/or distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the United States. SEC and co-conspirator Samsung SDI dominated and controlled the finances, policies and affairs of Samsung SDI America relating to the antitrust violations alleged in this complaint.

65. Co-conspirator Samsung SDI Mexico S.A. de C.V. (“**Samsung SDI Mexico**”) is a Mexican company with its principal place of business located at Blvd. Los Olivos, No. 21014,

1 Parque Industrial El Florido, Tijuana, B.C. Mexico. Samsung SDI Mexico is a wholly-owned
2 and controlled subsidiary of co-conspirator Samsung SDI. During the Relevant Period, Samsung
3 SDI Mexico manufactured, marketed, sold and/or distributed CRT Products, either directly or
4 through its subsidiaries or affiliates, throughout the United States. SEC and co-conspirator
5 Samsung SDI dominated and controlled the finances, policies and affairs of Samsung SDI
6 Mexico relating to the antitrust violations alleged in this complaint.
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13 66. Co-conspirator Samsung SDI Brasil Ltda. (“**Samsung SDI Brazil**”) is a Brazilian
14 company with its principal place of business located at Av. Eixo Norte Sul, S/N, Distrito
15 Industrial, 69088-480 Manaus, Amazonas, Brazil. Samsung SDI Brazil is a wholly-owned and
16 controlled subsidiary of co-conspirator Samsung SDI. During the Relevant Period, Samsung SDI
17 Brazil manufactured, marketed, sold and/or distributed CRT Products, either directly or through
18 its subsidiaries or affiliates, throughout the United States. SEC and co-conspirator Samsung SDI
19 dominated and controlled the finances, policies and affairs of Samsung SDI Brazil relating to the
20 antitrust violations alleged in this complaint.
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29 67. Co-conspirator Shenzhen Samsung SDI Co., Ltd. (“**Samsung SDI Shenzhen**”) is
30 a Chinese company with its principal place of business located at Huanggang Bei Lu, Futian Gu,
31 Shenzhen, China. Samsung SDI Shenzhen is a wholly-owned and controlled subsidiary of co-
32 conspirator Samsung SDI. During the Relevant Period, Samsung SDI Shenzhen manufactured,
33 marketed, sold and/or distributed CRT Products, either directly or through its subsidiaries or
34 affiliates, throughout the United States. SEC and co-conspirator Samsung SDI dominated and
35 controlled the finances, policies and affairs of Samsung SDI Shenzhen relating to the antitrust
36 violations alleged in this complaint.
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45 68. Co-conspirator Tianjin Samsung SDI Co., Ltd. (“**Samsung SDI Tianjin**”) is a
46 Chinese company with its principal place of business located at Developing Zone of Yi-Xian
47 Park, Wuqing County, Tianjin, China. Samsung SDI Tianjin is a wholly-owned and controlled
48 subsidiary of co-conspirator Samsung SDI. During the Relevant Period, Samsung SDI Tianjin
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1 manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
2 subsidiaries or affiliates, throughout the United States. SEC and co-conspirator Samsung SDI
3 dominated and controlled the finances, policies and affairs of Samsung SDI Tianjin relating to
4 the antitrust violations alleged in this complaint.
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9 69. Co-conspirator Samsung SDI (Malaysia) Sdn. Bhd. (“**Samsung SDI Malaysia**”)
10 is a Malaysian corporation with its principal place of business located at Lots 635 & 660,
11 Kawasan Perindustrian, Tuanku Jafaar, 71450 Sungai Gadut, Negeri Sembilan Darul Khusus,
12 Malaysia. Samsung SDI Malaysia is a wholly-owned and controlled subsidiary of co-conspirator
13 Samsung SDI. During the Relevant Period, Samsung SDI Malaysia manufactured, marketed,
14 sold and/or distributed CRT Products, either directly or through its subsidiaries or affiliates,
15 throughout the United States. SEC and co-conspirator Samsung SDI dominated and controlled
16 the finances, policies and affairs of Samsung SDI Malaysia relating to the antitrust violations
17 alleged in this complaint.
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27 70. Co-conspirators Samsung SDI, Samsung SDI America, Samsung SDI Mexico,
28 Samsung SDI Brazil, Samsung SDI Shenzhen, Samsung SDI Tianjin and Samsung SDI Malaysia
29 are collectively referred to herein as “**Samsung SDI**.”
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33 71. Co-conspirator Samtel Color Ltd. (“**Samtel**”) is an Indian company with its
34 principal place of business located at 52, Community Centre, New Friends Colony, New Delhi-
35 110065. Samtel’s market share for CRTs sold in India is approximately 40%, and it is that
36 country’s largest exporter of CRT Products. Samtel has gained safety approvals from the United
37 States, Canada, Germany, and Great Britain for its CRT Products. During the Relevant Period,
38 Samtel manufactured, marketed, sold and/or distributed CRT Products, either directly or through
39 its subsidiaries and affiliates, throughout the United States.
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47 72. Co-conspirator Thai CRT Co., Ltd. (“**Thai CRT**”) is a Thai company located at
48 1/F 26 Siam Cement Rd., Bangsue Dusit, Bangkok, Thailand. Thai CRT is a subsidiary of Siam
49 Cement Group, and it was established in 1986 as Thailand’s first manufacturer of CRTs for color
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1 televisions. During the Relevant Period, Thai CRT manufactured, marketed, sold and/or
2 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
3 United States.
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7 73. Co-conspirator Toshiba Corporation (“TC”) is a Japanese company with its
8 principal place of business located at 1-1, Shibaura 1-chome, Minato-ku, Tokyo 105-8001,
9 Japan. In 2001, TC held a 5 to 10 percent worldwide market share for CRTs used in televisions
10 and in computer monitors. In December 1995, TC partnered with Orion Electronic Co. and two
11 other non-Defendant entities to form P.T. Tosummit Electronic Devices Indonesia (“**TEDI**”) in
12 Indonesia. TEDI was projected to have an annual production capacity of 2.3 million CRTs by
13 1999. In 2002, TC entered into MTPD, a joint venture with co-conspirator Panasonic
14 Corporation, in which the entities consolidated their CRT businesses. During the Relevant
15 Period, TC manufactured, marketed, sold and/or distributed CRT Products, either directly or
16 through its subsidiaries or affiliates, throughout the United States.
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27 74. Co-conspirator Toshiba America, Inc. (“**Toshiba America**”) is a Delaware
28 corporation with its principal place of business located at 1251 Avenue of the Americas, Suite
29 4110, New York, New York 10020. Toshiba America is a wholly-owned and controlled
30 subsidiary of co-conspirator TC. During the Relevant Period, Toshiba America manufactured,
31 marketed, sold and/or distributed CRT Products, either directly or through its subsidiaries or
32 affiliates, throughout the United States. Co-conspirator TC dominated and controlled the
33 finances, policies and affairs of Toshiba America relating to the antitrust violations alleged in this
34 complaint.
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43 75. Co-conspirator Toshiba America Consumer Products, LLC (“**TACP**”) is a limited
44 liability company that is headquartered at 82 Totowa Rd., Wayne, New Jersey 07470-3114.
45 TACP is a wholly-owned and controlled subsidiary of co-conspirator TC through Toshiba
46 America. During the Relevant Period, TACP manufactured, marketed, sold and/or distributed
47 CRT Products, either directly or through its subsidiaries or affiliates, throughout the United
48 States.
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1 States. Co-conspirator TC dominated and controlled the finances, policies and affairs of TACP
2 relating to the antitrust violations alleged in this complaint.
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5 76. Co-conspirator Toshiba America Electronic Components, Inc. (“**TAEC**”) is a
6 California corporation with its principal place of business located at 19900 MacArthur
7 Boulevard, Suite 400, Irvine, California 92612. TAEC is a wholly-owned and controlled
8 subsidiary of co-conspirator TC through Toshiba America. During the Relevant Period, TAEC
9 manufactured, marketed, sold and/or distributed CRT Products, either directly or through its
10 subsidiaries or affiliates, throughout the United States. Co-conspirator TC dominated and
11 controlled the finances, policies and affairs of TAEC relating to the antitrust violations alleged in
12 this complaint.
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21 77. Co-conspirator Toshiba America Information Systems, Inc. (“**TAIS**”) is a
22 California corporation with its principal place of business located at 9740 Irvine Blvd., Irvine,
23 California 92618-1697. TAIS is a wholly-owned and controlled subsidiary of co-conspirator TC
24 through Toshiba America. During the Relevant Period, TAIS manufactured, marketed, sold
25 and/or distributed CRT Products, either directly or through its subsidiaries or affiliates,
26 throughout the United States. Co-conspirator TC dominated and controlled the finances, policies
27 and affairs of TAIS relating to the antitrust violations alleged in this complaint.
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35 78. Co-conspirator P.T. Tosummit Electronic Devices Indonesia (“**TEDI**”) was a
36 CRT joint venture formed by TC, Orion Electronic Co., and two other entities in December 1995.
37 TEDI’s principal place of business was located in Indonesia. TEDI was projected to have an
38 annual production capacity of 2.3 million CRTs by 1999. In 2003, TEDI was transferred to co-
39 conspirator MTPD, TC’s joint venture with Panasonic Corporation, and its name was changed to
40 PT.MT Picture Display Indonesia. During the Relevant Period, TEDI manufactured, marketed,
41 sold and/or distributed CRT Products, either directly or through its subsidiaries or affiliates,
42 throughout the United States. Co-conspirator TC dominated and controlled the finances,
43 policies, and affairs of TEDI relating to the antitrust violations alleged in this complaint.
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COMPLAINT AND JURY DEMAND – 27

1 79. Co-conspirator Toshiba Display Devices (Thailand) Co., Ltd. (“**TDDT**”) was a
2 Thai company with its principal place of business located at 142 Moo 5 Bangkok Industrial
3 Estate, Tivanon Road, Pathum Thani, Thailand 12000. TDDT was a wholly-owned and
4 controlled subsidiary of co-conspirator TC. In 2003, TDDT was transferred to co-conspirator
5 MTPD, TC’s joint venture with Panasonic Corporation. It was re-named MT Picture Display
6 (Thailand) Co., Ltd. and operated as a wholly-owned and controlled subsidiary of MTPD until its
7 closure in 2007. During the Relevant Period, TDDT manufactured, marketed, sold and/or
8 distributed CRT Products, either directly or through its subsidiaries or affiliates, throughout the
9 United States. Co-conspirator TC dominated and controlled the finances, policies and affairs of
10 TDDT relating to the antitrust violations alleged in this complaint.
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12 80. Co-conspirators TC, Toshiba America, TACP, TAEC, TAIS, TEDI, and TDDT
13 are collectively referred to herein as “**Toshiba.**”
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15 81. Co-conspirator Orion Electronic Co. (“**Orion**”) was a Korean corporation. It filed
16 for bankruptcy in 2004. Orion was a major manufacturer of CRT Products. In 1995,
17 approximately 85% of Orion’s \$1 billion in sales was attributed to CRT Products. Orion was
18 involved in CRT Products sales and manufacturing joint ventures and had subsidiaries all over
19 the world, including South Africa, France, Indonesia, Mexico, and the United States. Plaintiff is
20 informed and believes that Orion was wholly owned by the “**Daewoo Group.**” The Daewoo
21 Group included Daewoo Electronics Co., Ltd. (“**Daewoo Electronics**”), Daewoo Telecom Co.,
22 Daewoo Corporation, and Orion Electronic Components Co. The Daewoo Group was
23 dismantled in or around 1999. Daewoo Electronics and Orion were 50/50 joint venture partners
24 in an entity called Daewoo-Orion Societe Anonyme (“**DOSA**”) in France. As of approximately
25 1996, DOSA produced 1.2 million CRTs annually. Daewoo sold DOSA’s CRT business in or
26 around 2004. During the Relevant Period, Orion, Daewoo Electronics, and DOSA
27 manufactured, marketed, sold and/or distributed CRTs and/or CRT Products, either directly or
28 through their subsidiaries or affiliates, throughout the United States.
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1 82. Co-conspirators Orion, Daewoo Electronics, and DOSA are collectively referred
2 to herein as “**Daewoo**.”

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4 83. Co-conspirator Chunghwa Picture Tubes, Ltd. (“**CPT**”) is a Taiwanese company
5 with its principal place of business at No. 1127, Heping Rd., Bade City, Taoyuan, Taiwan. It
6 was established in 1971 by Tatung Corporation to manufacture CRTs. In 1974, CPT’s CRTs
7 received certification by the United States, giving the company entry into that market.
8 Throughout the Relevant Period, CPT was one of the major global CRT manufacturers. During
9 the Relevant Period, CPT manufactured, marketed, sold and/or distributed CRT Products, either
10 directly or through its subsidiaries or affiliates (such as its Fuzhou subsidiary), throughout the
11 United States.

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13 84. Co-conspirator Chunghwa Picture Tubes (Malaysia) Sdn. Bhd. (“**Chunghwa**
14 **Malaysia**”) is a Malaysian company with its principal place of business at Lot I, Subang Hi-Tech
15 Industrial Park, Batu Tiga, 4000 Shah Alam, Selangor Darul Ehsan, Malaysia. It is a wholly-
16 owned subsidiary of CPT. Chunghwa Malaysia is focused on CRT production, and it has
17 established itself as one of the leading worldwide suppliers of CRTs. During the Relevant
18 Period, Chunghwa Malaysia manufactured, marketed, sold and/or distributed CRT Products,
19 either directly or through its subsidiaries or affiliates, throughout the United States. Co-
20 conspirator CPT dominated and controlled the finances, policies and affairs of Chunghwa
21 Malaysia relating to the antitrust violations alleged in this complaint.

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23 85. Co-conspirators CPT and Chunghwa Malaysia are collectively referred to herein
24 as “**Chunghwa**.”

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26 86. Co-conspirator Tatung Company of America, Inc. (“**Tatung America**”) is a
27 California corporation with its principal place of business located at 2850 El Presido Street, Long
28 Beach, California. Tatung America is a subsidiary of Tatung Company. Currently, Tatung
29 Company owns approximately one-half of Tatung America. The other half used to be owned by
30 Lun Kuan Lin, the daughter of Tatung Company’s former Chairman T.S. Lin. Following Lun

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COMPLAINT AND JURY DEMAND – 29

1 Kuan Lin's death, her share passed to her two children. During the Relevant Period, Tatung
2 America manufactured, marketed, sold and/or distributed CRT Products manufactured by,
3 among others, CPT, either directly or through its subsidiaries or affiliates, throughout the United
4 States.
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9 87. Co-conspirator Technologies Displays Mexicana, S.A. de C.V. ("**Technologies**
10 **Displays Mexicana**"), formerly known as Thomson Displays Mexicana, is a Mexican
11 corporation with its principal place of business located at Calz. Robledo Industrial Colorad,
12 Mexicali, B.C. 21384, Mexico. Technologies Displays Mexicana is a wholly owned subsidiary
13 of defendant TDA, which is itself a wholly owned subsidiary of defendant Videocon. During the
14 Relevant Period, Technologies Displays Mexicana manufactured, marketed, sold and/or
15 distributed CRT Products, either directly or indirectly through subsidiaries or affiliates, to
16 customers throughout the United States. Defendants Thomson SA and later Videocon and TDA
17 dominated and/or controlled the finances, policies and/or affairs of Technologies Displays
18 Mexicana relating to the antitrust violations alleged in this Complaint.
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29 88. Co-conspirator TCL Thomson Electronics Corporation ("**TCL Thomson**") is a
30 joint venture formed between Thomson SA and TCL International Holdings Ltd. ("**TCL**"). TCL
31 Thomson is headquartered at the TCL Building, South Nanhai Road, Nanshan District,
32 Shenzhen, Guangdong, China. During the Relevant Period, TCL Thomson manufactured,
33 marketed, sold and/or distributed CRT Products, either directly or indirectly through subsidiaries
34 or affiliates, to customers throughout the United States. One of the direct or indirect subsidiaries
35 of TCL Thomson or TCL that manufactured, marketed, sold and/or distributed CRT Products in
36 the United States was TTE Technology, Inc. ("**TTE**"). Defendant Thomson SA dominated
37 and/or controlled the finances, policies and/or affairs of TCL Thomson and TTE relating to the
38 antitrust violations alleged in this Complaint.
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49 89. Co-conspirator NEC-Mitsubishi Electric Visual Systems Corporation ("**NEC-**
50 **Mitsubishi**") was a joint venture of NEC Corporation and defendant Mitsubishi Electric Japan.
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COMPLAINT AND JURY DEMAND – 30

1 During the Relevant Period, NEC-Mitsubishi was based in Tokyo, Japan. During the Relevant
2 Period, NEC-Mitsubishi manufactured, marketed, sold and/or distributed CRT Products, directly
3 or indirectly through subsidiaries or affiliates, including NEC-Mitsubishi Electronics Display and
4 NEC-Mitsubishi Electronics Display of America, Inc., to customers throughout the United
5 States. During the Relevant Period, Defendant Mitsubishi Electric Japan dominated and/or
6 controlled the finances, policies and/or affairs of NEC-Mitsubishi relating to the antitrust
7 violations alleged in this Complaint.
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14 AGENTS

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16 90. The acts alleged against Defendants in this Complaint were authorized, ordered,
17 or done by their officers, agents, employees, or representatives, while actively engaged in the
18 management and operation of Defendants' businesses or affairs.
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22 91. Each Defendant or co-conspirator acted as the principal, agent, or joint venturer
23 of, or for, other Defendants and co-conspirators with respect to the acts, violations, and common
24 course of conduct alleged by Plaintiff. Each Defendant and co-conspirator that is a subsidiary of
25 a foreign parent acts as the United States agent for CRTs and/or CRT Products made by its parent
26 company.
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32 92. The acts charged in this Complaint have been done by Defendants and their co-
33 conspirators, or were authorized, ordered or done by their respective officers, agents, employees
34 or representatives while actively engaged in the management of each Defendant's or co-
35 conspirator's business or affairs.
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41 TRADE AND COMMERCE

42 93. During the Relevant Period, each Defendant, or one or more of its subsidiaries,
43 sold CRT Products in the United States in a continuous and uninterrupted flow of interstate
44 commerce and foreign commerce, including through and into this judicial district.
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48 94. During the Relevant Period, Defendants and their co-conspirators collectively
49 controlled a vast majority of the market for CRT Products, both globally and in the United States.
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A. CRT Technology

97. CRT technology was first developed more than a century ago. The first commercially practical CRT television was made in 1931. However, it was not until RCA Corporation introduced the product at the 1939 World's Fair that it became widely available to consumers. After that, CRTs became the heart of most display products, including televisions, computer monitors, oscilloscopes, air traffic control monitors and ATMs.

99. Although there have been refinements and incremental advancements along the way since then, such as the development of thinner CRTs and CRTs with a flat screen, the CRT

1 technology used today is similar to that RCA unveiled in 1939.

2
3 100. CRTs can be subdivided into CDTs and CPTs. As noted above, CPTs are used
4 primarily in televisions and related devices and CDTs are primarily used in computer monitors
5 and similar devices. The primary difference is that CDTs typically yield a higher resolution
6 image requiring more pixels than do CPTs.
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10 101. CRTs have no independent utility, and have value only as components of other
11 products, such as TVs and computer monitors. The demand for CRTs thus directly derives from
12 the demand for such products.
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15 102. The market for CRTs and the market for the products into which they are placed
16 are inextricably linked and intertwined because the CRT market exists to serve the CRT Products
17 markets. The markets for CRTs and CRT Products are, for all intents and purposes, inseparable
18 in that one would not exist without the other.
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21 103. Costco has participated in the market for CRTs through their direct purchases
22 from Defendants of CRT Products containing price-fixed CRTs and their purchases of CRT
23 Products containing price-fixed CRTs indirectly from non-Defendant original equipment
24 manufacturers (“OEM”) and others. Defendants’ unlawful conspiracy has inflated the prices at
25 which Costco bought CRT Products, and Costco has been injured thereby and paid supra-
26 competitive prices for CRT Products.
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29 104. Costco has participated in the market for products containing CRTs. To the extent
30 Costco indirectly purchased CRTs as part of a CRT Product, Defendants’ and their co-
31 conspirators’ unlawful conspiracy inflated the prices at which OEMs and others resold CRTs in
32 these products.
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35 105. Costco has been injured by paying supra-competitive prices for CRT Products.
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38 **B. Structure of the CRT Industry**
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40 106. The CRT industry has several characteristics that facilitated a conspiracy,
41 including market concentration, ease of information sharing, the consolidation of manufacturers,
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multiple interrelated business relationships, significant barriers to entry, heightened price sensitivity to supply and demand forces and homogeneity of products.

1. Market Concentration

107. During the Relevant Period, the CRT industry was dominated by relatively few companies. In 2004, Samsung SDI, LGPD (n/k/a LP Displays), MTPD, and Chunghwa, together held a collective 78% share of the global CRT market. The high concentration of market share facilitates coordination because there are fewer cartel members among which to coordinate pricing or allocate markets, and it is easier to monitor the pricing and production of other cartel members.

2. Information Sharing

108. Because of common membership in trade associations, interrelated business arrangements such as joint ventures, allegiances between companies in certain countries and relationships between the executives of certain companies, there were many opportunities for Defendants and co-conspirators to discuss and exchange competitive information. The ease of communication was facilitated by the use of meetings, telephone calls, e-mails and instant messages. Defendants and co-conspirators took advantage of these opportunities to discuss, and agree upon, their pricing for CRTs as alleged below.

3. Consolidation

109. The CRT industry also had significant consolidation during the Relevant Period, including but not limited to: (a) the creation of LGPD in 2001, which was a joint venture involving Philips' and LG Electronics' CRT businesses; and (b) the 2002 merger of Toshiba's and Panasonic's CRT businesses into MTPD.

4. High Costs of Entry Into the Industry

110. There are significant manufacturing and technological barriers to entry into the CRT industry. It would require substantial time, resources and industry knowledge to overcome

1 these barriers to entry. It is also extremely unlikely that a new producer would enter the market
2
3 in light of the declining demand for CRT Products.

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5 111. During the Relevant Period, the costs of the assembly components, both as a
6
7 whole and individually, have been generally declining, and, in some periods, declining at a
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9 substantial rate. A combination of price discussions and manipulation of the output of CRTs
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11 allowed Defendants and co-conspirators to keep prices above where they would have been but
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13 for the conspiracy.

14 15 **5. Homogeneity of CRT Products**

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17 112. CRT Products are commodity-like products which are manufactured in
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19 standardized sizes. One Defendant's CRT Product for a particular application, such as a
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21 particular size television set or computer monitor, is substitutable for another's. Defendants and
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23 co-conspirators sold CRTs primarily on the basis of price.

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25 113. It is easier to form and sustain a cartel when the product in question is
26
27 commodity-like because it is easier to agree on prices to charge and to monitor those prices once
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29 an agreement is formed.

30 31 **C. Pre-Conspiracy Market**

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33 114. The genesis of the CRT conspiracy was in the late 1980s as the CRT Products
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35 business became more international and Defendants began serving customers that were also
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37 being served by other international companies. During this period, the employees of Defendants
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39 would encounter employees from their competitors when visiting their customers. A culture of
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41 cooperation developed over the years and these Defendant employees would exchange market
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43 information on production, capacity and customers.

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45 115. In the early 1990s, representatives from Samsung SDI, Daewoo, Chunghwa, and
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47 Orion visited each other's factories in Southeast Asia. During this period, these producers began
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49 to include discussions about price in their meetings.
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D. Defendants' and Co-Conspirators' Illegal Agreements

116. In order to control and maintain profitability during declining demand for CRT Products, Defendants and their co-conspirators have engaged in a contract, combination, trust or conspiracy, the effect of which has been to raise, fix, maintain and/or stabilize the prices at which they sold CRTs to artificially inflated levels from at least March 1, 1995 through at least November 25, 2007.

117. The CRT conspiracy was effectuated through a combination of group and bilateral meetings. In the formative years of the conspiracy (1995-1996), bilateral discussions were the primary method of communication and took place on an informal, ad hoc basis. During this period, representatives from Daewoo, LG Electronics and Samsung SDI visited other manufacturers, including Philips, Chunghwa, Thai CRT, Hitachi, Toshiba and Panasonic, to discuss increasing prices for CRTs in general and to specific customers. These meetings took place in Taiwan, South Korea, Thailand, Japan, Malaysia, Indonesia and Singapore. Samsung SDI, LG, and Chunghwa, along with Daewoo, also attended several ad hoc group meetings during this period. The participants at these group meetings also discussed increasing prices for CRTs.

118. As more manufacturers formally entered the conspiracy, group meetings became more prevalent. Beginning in 1997, group meetings occurred in a more organized, systematic fashion, and a formal system of multilateral and bilateral meetings was put in place.

119. The overall CRT conspiracy raised and stabilized worldwide and U.S. prices that Defendants and their co-conspirators charged for CRTs.

1 **1. “Glass Meetings”**

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3 120. The group meetings among the participants in the CRT price-fixing conspiracy
4 were referred to as “glass meetings” or “GSM.” Glass meetings were attended by employees at
5 three general levels of the participant corporations.
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8 121. The first level meetings were attended by high level company executives
9 including CEOs, Presidents, and Vice Presidents, and were known as “top” meetings. Top
10 meetings occurred less frequently, typically quarterly, and were focused on longer term
11 agreements and forcing compliance with price fixing agreements. Because attendees at top
12 meetings had authority as well as more reliable information, these meetings resulted in
13 agreements. Attendees at top meetings were also able to resolve disputes because they were
14 decision makers who could make agreements.
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18 122. The second level meetings were attended by high level sales managers and were
19 known as “management” meetings. These meetings occurred more frequently, typically
20 monthly, and handled implementation of the agreements made at top meetings.
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24 123. Finally, the third level meetings were known as “working level” meetings and
25 were attended by lower level sales and marketing employees. These meetings generally occurred
26 on a weekly or monthly basis and were mostly limited to the exchange of information and
27 discussing pricing since the lower level employees did not have the authority to enter into
28 agreements. These lower level employees would then transmit the competitive information up
29 the corporate reporting chain to those individuals with pricing authority. The working level
30 meetings also tended to be more regional and often took place near the conspirators’ factories. In
31 other words, the Taiwanese manufacturers’ employees met in Taiwan, the Korean manufacturers’
32 employees met in Korea, the Chinese in China, and so on.
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36 124. The Chinese glass meetings began in 1998 and generally occurred on a monthly
37 basis following a top or management level meeting. The China meetings had the principal
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1 purpose of reporting what had been decided at the most recent glass meetings to the Chinese
2 manufacturers. Participants at the Chinese meetings included the manufacturers located in
3 China, such as IRICO and BMCC, as well as the China-based branches of other conspirators,
4 including but not limited to Hitachi Shenzhen, Samsung SDI Shenzhen, Samsung SDI Tianjin,
5 and Chunghwa.
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11 125. Glass meetings also occurred occasionally in various European countries.
12 Attendees at these meetings included those conspirators that had subsidiaries and/or
13 manufacturing facilities located in Europe, including Philips, LG Electronics, LP Displays,
14 Chunghwa, Samsung, Daewoo (usually DOSA attended these meetings on behalf of Daewoo)
15 and IRICO. Chunghwa also attended these meetings.
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21 126. Representatives of the conspirators also attended what were known amongst
22 members of the conspiracy as “green meetings.” These were meetings held on golf courses. The
23 green meetings were generally attended by top and management level employees of the
24 conspirators. During the Relevant Period, glass meetings took place in Taiwan, South Korea,
25 Europe, China, Singapore, Japan, Indonesia, Thailand, Malaysia, and the United States.
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31 127. Participants would often exchange competitively sensitive information prior to a
32 glass meeting. This included information on inventories, production, sales and exports. For
33 some such meetings, where information could not be gathered in advance of the meeting, it was
34 brought to the meeting and shared.
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40 128. The glass meetings at all levels followed a fairly typical agenda. First, the
41 participants exchanged competitive information such as proposed future CRT pricing, sales
42 volume, inventory levels, production capacity, exports, customer orders, price trends and
43 forecasts of sales volumes for coming months. The participants also updated the information
44 they had provided in the previous meeting. Each meeting had a rotating, designated “Chairman”
45 who would write the information on a white board. The meeting participants then used this
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1 information to discuss and agree upon what price each would charge for CRTs to be sold in the
2 following month or quarter. They discussed and agreed upon target prices, price increases, so-
3 called “bottom” prices and price ranges for CRTs. They also discussed and agreed upon prices
4 of CRTs that were sold to specific customers, and agreed upon target prices to be used in
5 negotiations with large customers. Having analyzed the supply and demand, the participants
6 would also discuss and agree upon production cutbacks.
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13 129. During periods of oversupply, the focus of the meeting participants turned to
14 making controlled and coordinated price reductions. This was referred to as setting a “bottom
15 price.”
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19 130. The conspiracy included agreements on the prices at which certain conspirators
20 would sell CRTs to their own corporate subsidiaries and affiliates that manufactured end
21 products, such as televisions and computer monitors. The conspirators realized the importance of
22 keeping the internal pricing to their affiliated OEMs at a high enough level to support the CRT
23 pricing in the market to other OEMs. In this way, Defendants and their co-conspirators ensured
24 that all direct purchaser OEMs paid supracompetitive prices for CRTs.
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32 131. Each of the participants in these meetings knew, and in fact discussed, the
33 significant impact that the price of CRTs had on the cost of the finished products into which they
34 were placed. The conspirators therefore concluded that in order to make their CRT price
35 increases stick, they needed to make the increase high enough that their direct customers (CRT
36 TV and monitor makers) would be able to justify a corresponding price increase to their
37 customers. In this way, Defendants and their co-conspirators ensured that price increases for
38 CRTs were passed on to indirect purchasers of CRT Products.
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46 132. The agreements reached at the glass meetings included:
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- 48 a. agreements on CRT prices, including establishing target prices, “bottom”
49 prices, price ranges, and price guidelines;
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- b. placing agreed-upon price differentials on various attributes of CRTs, such as quality or certain technical specifications.
- c. agreements on pricing for intra-company CRTs sales to vertically integrated customers;
- d. agreements as to what to tell customers about the reason for a price increase;
- e. agreements to coordinate with competitors that did not attend the group meetings and agreements with them to abide by the agreed-upon pricing;
- f. agreements to coordinate pricing with CRT manufacturers in other geographic markets such as Brazil, Europe and India;
- g. agreements to exchange pertinent information regarding shipments, capacity, production, prices and customers' demands;
- h. agreements to coordinate uniform public statements regarding available capacity and supply;
- i. agreements to allocate both overall market shares and share of a particular customer's purchases;
- j. agreements to allocate customers;
- k. agreements regarding capacity, including agreements to restrict output and to audit compliance with such agreements; and
- l. agreements to keep their meetings secret.

133. Efforts were made to monitor each conspirator's adherence to these agreements in a number of ways, including seeking confirmation of pricing both from customers and from employees of the conspirators themselves. When cheating did occur, it was addressed in at least four ways: (1) monitoring, (2) attendees at the meetings challenging other attendees if they did not live up to an agreement, (3) threats to undermine a competitor at one of its principal customers, and (4) a recognition of a mutual interest in living up to the target price and living up to the agreements that had been made.

134. From 2005–2007 the group glass meetings became less frequent and bilateral meetings again became more prevalent.

2. Bilateral Discussions

135. Throughout the Relevant Period, the glass meetings were supplemented by

1 bilateral discussions between various Defendants and their co-conspirators. The bilateral
2 discussions were more informal than the group meetings and occurred on a frequent, ad hoc
3 basis, often between the group meetings. These discussions, usually between sales and marketing
4 employees, took the form of in-person meetings, telephone contacts and emails.
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9 136. During the Relevant Period, in-person bilateral meetings took place in Malaysia,
10 Indonesia, Taiwan, China, United Kingdom, Singapore, South Korea, Japan, Thailand, Brazil,
11 Mexico, and the United States.
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15 137. The purpose of the bilateral discussions was to exchange information about past
16 and future pricing, confirm production levels, share sales order information, confirm pricing
17 rumors, and coordinate pricing with manufacturers in other geographic locations, including
18 Brazil, Mexico, Europe, and the United States.
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23 138. In order to ensure the efficacy of their global conspiracy, Defendants and their co-
24 conspirators also used bilateral meetings to coordinate pricing with CRT manufacturers in Brazil,
25 Mexico, and the United States, such as Philips Brazil, Samsung SDI Brazil and Samsung SDI
26 Mexico. These Brazilian and Mexican manufacturers were particularly important because they
27 served the North American market for CRT Products. As further alleged herein, North America
28 was the largest market for CRT televisions and computer monitors during the Relevant Period.
29 Because these manufacturers are all wholly-owned and controlled subsidiaries of Philips and
30 Samsung SDI, they adhered to the unlawful price-fixing agreements. In this way, Defendants
31 and their co-conspirators ensured that prices of all CRTs sold in the United States were fixed,
32 raised, maintained and/or stabilized at supracompetitive levels.
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37 139. Defendants and co-conspirators also used bilateral discussions with each other
38 during price negotiations with customers to avoid being persuaded by customers to cut prices.
39 The information gained in these communications was then shared with supervisors and taken into
40 account in determining the price to be offered.
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44 140. Bilateral discussions were also used to coordinate prices with CRT manufacturers
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1 that did not ordinarily attend the group meetings, such as Defendant Mitsubishi and co-
2 conspirators Hitachi, Toshiba, Panasonic and Samtel. It was often the case that in the few days
3 following a top or management meeting, the attendees at these group meetings would meet
4 bilaterally with the other conspirators for the purpose of communicating whatever CRT pricing
5 and/or output agreements had been reached during the meeting. For example, Samsung SDI had
6 a relationship with Hitachi and was responsible for communicating CRT pricing agreements to
7 Hitachi. LG Electronics had a relationship with Toshiba and was responsible for communicating
8 CRT pricing agreements to Toshiba. Similarly, Samsung SDI had regular communications with
9 Defendant Mitsubishi. And Thai CRT had a relationship with Samtel and was responsible for
10 communicating CRT pricing agreements to Samtel. Hitachi, Toshiba and Samtel implemented
11 the agreed-upon pricing as conveyed by Samsung SDI, LG Electronics and Thai CRT. Other
12 times, Hitachi and Toshiba attended the glass meetings. In this way, Hitachi, Toshiba and
13 Samtel participated in the conspiracy to fix prices of CRTs.

14 **3. Defendants' and Co-Conspirators' Participation in Group and Bilateral** 15 **Discussions**

16 141. When Plaintiff refers to a corporate family or companies by a single name in
17 alleging participation in the conspiracy, Plaintiff is alleging that one or more employees or agents
18 of entities within the corporate family engaged in conspiratorial meetings or communications on
19 behalf of every company in that corporate family. The individual participants in the
20 conspiratorial meetings and communications often did not know the corporate affiliation of their
21 counterparts, nor did they distinguish between the entities within a corporate family. The
22 individuals who participated in conspiratorial meetings and communications entered into
23 agreements on behalf of, and reported these meetings and discussions to, their respective
24 corporate families. As a result, the entire corporate family was represented. For the Defendants
25 and co-conspirators identified in the following paragraphs, in many instances their high-ranking
26 executives participated in the conspiratorial meetings and communications.

a. **Thomson's Admitted Participation in the CRT Conspiracy**

142. Thomson has admitted that it participated in the CRT price-fixing conspiracy. In its 2011 Annual Report (released in late March 2012), Thomson told its shareholders and the public:

On January 9, 2008, Thomson/Technicolor received a request under art 18 (2) of Council Regulation n1/2003 from the European Commission (the "EC") also relating to the CRT industry. Thomson/Technicolor received three further requests for information from the EC on January 16, 2009, January 19, 2009, and September 15, 2009 respectively. On November 25, 2009, Thomson/Technicolor received a Statement of Objections ("SO") from the European Commission. On March 3, 2010, Thomson/Technicolor filed its written response to the "SO." On May 26 and 27, 2010, Thomson/Technicolor attended an Oral Hearing together with the other parties and the European Commission. ***Thomson/Technicolor stated that it played a minor role in the alleged anticompetitive conduct.***

Technicolor Annual Report 2011, at 226 (emphasis added). While Costco disputes that Thomson's role in the CRT price-fixing conspiracy was minor and believes the evidence adduced to date demonstrates it was substantial, what cannot be contested is that Thomson ***by its own admission*** was one of the conspirators.

143. In December 2012, following an investigation of more than four years, the EC released its finding on the CRT price-fixing conspiracy. It found that seven companies, including Thomson, participated in cartels lasting "almost ten years, between 1996 and 2006," to fix the prices of CRTs. The EC concluded that "these companies fixed prices, shared markets, allocated customers between themselves and restricted their output." The EC official responsible for competition policy described the CRT cartels as "textbook cartels [that] feature all the worst kinds of anticompetitive behavior." Fines totaling €1,470,515,000 were assessed against the members of the CRT cartels, including a fine of €38,631,000 against Thomson, an amount that was reduced due to Thomson's cooperation with the EC investigation. The EC investigation found that the CRT cartels "operated worldwide" and were "among the most organized cartels that the Commission has investigated."

1 144. After the EC announced its finding that Thomson participated in the CRT price-
2 fixing conspiracy and after Thomson paid the fine imposed by the EC, Thomson again
3 acknowledged its participation in the conspiracy. In its 2012 Annual Report (released in late
4 March 2013), Thomson informed its shareholders and the public that “[f]ollowing the European
5 Commission decision, purchasers may bring individual claims against the Company seeking
6 compensation for alleged loss suffered as a result of the anti-competitive conduct.” Technicolor
7 Annual Report 2012, at 216.
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9 145. Between at least 1995 and 2005, Thomson participated in and/or was a party to
10 over 15 bilateral meetings and over 25 group meetings, including “green meetings” in the United
11 States, with the Defendants and co-conspirators in which unlawful agreements as to, among other
12 things, price, output restrictions, and/or customer and market allocation of CRTs occurred.
13 These meetings attended by Thomson occurred in the United States, Europe, Japan, and China,
14 and were also attended by representatives from Samsung SDI, MTPD, LPD, Philips, Toshiba,
15 and Chunghwa, among other co-conspirators. The purpose of these meetings, and other
16 communications, between Thomson and the co-conspirators was to raise and stabilize the prices
17 and set supply levels of CRTs sold by Thomson and its competitors in North America, including
18 the United States. Documents reflect that these meetings among competitors did not occur in the
19 context of a customer-supplier relationship. Thomson also discussed with competitors CRT
20 prices, production, revenues, volumes, demand, inventories, estimated sales, plant shutdowns,
21 customer allocation, and new product development, including for North American CRTs. A
22 substantial number of these meetings were attended by high level sales, operations, and sourcing
23 managers from Thomson Consumer and/or Thomson SA. In addition to in-person meetings,
24 Thomson also communicated with its competitors over the telephone and by email. On
25 information and belief, Plaintiff anticipates additional evidence of Thomson’s conspiratorial
26 meetings and/or communications with the Defendants and co-conspirators will be revealed
27 through discovery of Thomson. As examples of Thomson’s active participation in a conspiracy
28

to fix CRT prices during the Relevant Period:

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem. Once the problem is identified, the next step is to develop a plan of action. This plan should outline the steps that need to be taken to address the problem, including identifying the resources needed and the timeline for completion. The third step is to implement the plan. This involves putting the plan into action and monitoring progress. The final step is to evaluate the results. This involves assessing the effectiveness of the plan and making adjustments as needed.

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

Thomson SA participated in the conspiracy it its own right and through its wholly owned subsidiary, Thomson Consumer, through at least 2005, and participated thereafter through Videocon, in which it retained a 13.1% ownership stake after selling its CRT business to Videocon in 2005. Thomson SA maintained at least a 10% ownership interest in Videocon throughout the conspiracy period. Thomson SA never effectively withdrew from this conspiracy.

146. Thomson Consumer directly participated in the conspiracy in the United States, which was Thomson's largest market for CRTs. Between at least 1995 and 2005, Thomson Consumer knowingly participated in and/or was a party to bilateral and group meetings, including "green meetings" in the United States, in which unlawful agreements as to, among other things, price, output restrictions, and/or customer and market allocation of U.S.-market CRTs occurred. As examples of Thomson Consumer's active participation in a conspiracy to fix CRT prices during the Relevant Period:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 147. [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]

12
13 148. Thomson Consumer knowingly participated in the conspiracy both in its own
14 right and through its parent company Thomson SA, through at least 2005, and participated
15 thereafter through Videocon, in which Thomson SA maintained at least a 10% ownership interest
16 throughout the conspiracy period. Thomson Consumer never effectively withdrew from this
17 conspiracy.
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19
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21

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23 **b. Videocon's Participation in the CRT Conspiracy**
24

25 149. Upon information and belief, between 2005 and 2007, Videocon participated in
26 several glass meetings and multiple bilateral meetings with its competitors, continuing the
27 practice established by Thomson. These meetings were attended by high level sales and
28 marketing managers and executives from Videocon, including one Thomson employee who sat
29 on Videocon's Board of Directors, and employees who had previously attended meetings on
30 behalf of Thomson. At these meetings, Videocon discussed such things as CRT prices,
31 production, revenues, volumes, demand, inventories, estimated sales, plant shutdowns, customer
32 allocation, and new product development, and agreed on prices and supply levels for CRT
33 Products. These meetings included discussions in which Videocon shared information with
34 competitors regarding the U.S. market for CRTs. Documents reflect that these meetings among
35 competitors did not occur in the context of a customer-supplier relationship. [REDACTED]
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[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] Videocon never effectively withdrew from this conspiracy.

c. TDA's Participation in the CRT Conspiracy

150. TDA was responsible for the sales and marketing of CRT Products in North America on behalf of its parent company, Videocon. Upon information and belief, Videocon dominated and/or controlled the finances, policies and/or affairs of TDA and directed its pricing of CRT Products sold to the North America market. [REDACTED]

[REDACTED]

[REDACTED] Upon information and belief, between 2005 and 2007, TDA (originally known as Thomson Displays Americas), and its wholly owned Mexican subsidiary and co-conspirator Technologies Displays Mexicana, knowingly participated in conspiracy meetings and/or were parties to the agreements entered at them, individually and through their parent company Videocon. The prices established by TDA were, thus, the product of conspiratorial communications between Videocon and TDA and their co-conspirators.

151. To the extent Thomson Consumer, TDA, and its Mexican subsidiary and co-conspirator Technologies Displays Mexicana, distributed CRTs to direct purchasers, they played a significant role in the conspiracy because Defendants wished to ensure that the prices for such products paid by direct purchasers would not undercut the pricing agreements reached at these various meetings. Thus, Thomson Consumer, TDA, and Technologies Displays Mexicana were at those meetings and/or were parties to the agreements and were active, knowing participants in this conspiracy.

d. Mitsubishi's Participation in the CRT Conspiracy

152. Between at least 1995 and 2005, Defendant Mitsubishi participated in multiple bilateral and group meetings with its competitors, including but not limited to, co-conspirators

1 Samsung SDI, Toshiba, Chunghwa, and Hitachi.. These meetings were attended by high level
2 sales managers and other senior executives from Mitsubishi. At these meetings, Mitsubishi
3 discussed such things as CRT prices, production, future production, revenues, volumes, demand,
4 inventories, estimated sales, plant shutdowns, customer allocation, and new product
5 development, and agreed on prices, customer allocations, and supply levels for CRTs. In
6 addition to in-person meetings, Mitsubishi also communicated with its competitors by telephone
7 and email. Examples of Mitsubishi's active participation in the conspiracy to fix CRT prices
8 during the Relevant Period include, but are not limited to:
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- 16
17 ■ [REDACTED]
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21 ■ [REDACTED]
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31 [REDACTED]
32 [REDACTED]
33 [REDACTED]
34 [REDACTED]
35 [REDACTED]
36 [REDACTED]
37 [REDACTED]
38 [REDACTED]
39 [REDACTED]
40 [REDACTED]
41 [REDACTED]
42 [REDACTED]
43 [REDACTED]
44 [REDACTED]
45 [REDACTED]

46 All of the above acts, as well as others, were in furtherance of the conspiracy.
47

48 **e. Co-conspirators' Participation in the CRT Conspiracy**
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50 153. Between at least 1996 and 2001, co-conspirator Hitachi, through Hitachi, Ltd.,
51

1 Hitachi Displays, Hitachi Shenzhen and Hitachi Asia, participated in several glass meetings.
2
3 These meetings were attended by high level sales managers from Hitachi. Hitachi also engaged
4
5 in multiple bilateral discussions with other participants, particularly with Samsung. Through
6
7 these discussions, Hitachi agreed on prices and supply levels for CRTs. Hitachi never effectively
8
9 withdrew from this conspiracy.

10
11 154. Co-conspirators Hitachi America and HEDUS were represented at those meetings
12
13 and were a party to the agreements entered at them. To the extent Hitachi America and HEDUS
14
15 sold and/or distributed CRT Products to direct purchasers, they played a significant role in the
16
17 conspiracy because Defendants and their co-conspirators wished to ensure that the prices for
18
19 CRT Products paid by direct purchasers would not undercut the CRT pricing agreements reached
20
21 at the glass meetings. Thus, Hitachi America and HEDUS were active, knowing participants in
22
23 the alleged conspiracy.

24
25 155. Between at least 1998 and 2007, co-conspirator IRICO, through IGC, IGE and
26
27 IDDC, participated in multiple glass meetings. These meetings were attended by the highest
28
29 ranking executives from IRICO. IRICO also engaged in multiple bilateral discussions with other
30
31 participants, particularly with other Chinese manufacturers. Through these discussions, IRICO
32
33 agreed on prices and supply levels for CRTs. None of IRICO's conspiratorial conduct in
34
35 connection with CRTs was mandated by the Chinese government. IRICO was acting to further
36
37 its own independent private interests in participating in the alleged conspiracy.

38
39 156. Between at least 1995 and 2001, co-conspirator LG Electronics, through LGEI
40
41 and LGETT, participated in at least 100 glass meetings at all levels. After 2001, LG Electronics
42
43 participated in the CRT conspiracy through its joint venture with Philips, LGPD (n/k/a LP
44
45 Displays). A substantial number of these meetings were attended by the highest ranking
46
47 executives from LG Electronics. LG Electronics also engaged in bilateral discussions with other
48
49 participants on a regular basis. Through these discussions, LG agreed on prices and supply levels
50
51 for CRTs. LG Electronics never effectively withdrew from this conspiracy.

COMPLAINT AND JURY DEMAND – 52

1 157. Co-conspirator LGEUSA was represented at those meetings and was a party to the
2 agreements entered at them. To the extent LGEUSA sold and/or distributed CRT Products, it
3 played a significant role in the conspiracy because Defendants and their co-conspirators wished
4 to ensure that the prices for CRT Products paid by direct purchasers would not undercut the CRT
5 pricing agreements reached at the glass meetings. Thus, LGEUSA was an active, knowing
6 participant in the alleged conspiracy.
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12 158. Between at least 2001 and 2006, co-conspirator LP Displays (f/k/a LGPD)
13 participated in at least 100 glass meetings at all levels. A substantial number of these meetings
14 were attended by the highest ranking executives from LP Displays. Certain of these high level
15 executives from LP Displays had previously attended meetings on behalf of LG Electronics and
16 Philips. LP Displays also engaged in bilateral discussions with other participants. Through these
17 discussions, LP Displays agreed on prices and supply levels for CRTs.
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24 159. Between at least 1996 and 2003, co-conspirator Panasonic, through Panasonic
25 Corporation and Matsushita Malaysia, participated in several glass meetings. After 2003,
26 Panasonic participated in the CRT conspiracy through MTPD, its joint venture with Toshiba.
27 These meetings were attended by high level sales managers from Panasonic and MTPD.
28 Panasonic also engaged in multiple bilateral discussions with other participants. Through these
29 discussions, Panasonic agreed on prices and supply levels for CRTs. Panasonic never effectively
30 withdrew from this conspiracy.
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38 160. PCNA was represented at those meetings and was a party to the agreements
39 entered at them. To the extent PCNA sold and/or distributed CRT Products to direct purchasers,
40 it played a significant role in the conspiracy because Defendants and their co-conspirators wished
41 to ensure that the prices for CRT Products paid by direct purchasers would not undercut the CRT
42 pricing agreements reached at the glass meetings. Thus, PCNA was an active, knowing
43 participant in the alleged conspiracy.
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 161. Between at least 2003 and 2006, co-conspirator MTPD participated in multiple

1 glass meetings and in fact led many of these meetings during the latter years of the conspiracy.
2
3 These meetings were attended by high level sales managers from MTPD. MTPD also engaged in
4
5 bilateral discussions with other participants. Through these discussions, MTPD agreed on prices
6
7 and supply levels for CRTs.

8
9 162. Between at least 1998 and 2007, co-conspirator BMCC participated in multiple
10
11 glass meetings. These meetings were attended by high level sales managers from BMCC.
12
13 BMCC also engaged in multiple bilateral discussions with other participants, particularly the
14
15 other Chinese CRT manufacturers. Through these discussions, BMCC agreed on prices and
16
17 supply levels for CRTs. None of BMCC's conspiratorial conduct in connection with CRTs was
18
19 mandated by the Chinese government. BMCC was acting to further its own independent private
20
21 interests in participating in the alleged conspiracy.

22
23 163. Between at least 1996 and 2001, co-conspirator Philips, through Royal Philips and
24
25 Philips Taiwan, participated in at least 100 glass meetings at all levels. After 2001, Philips
26
27 participated in the CRT conspiracy through its joint venture with LG Electronics, LGPD (n/k/a
28
29 LP Displays). A substantial number of these meetings were attended by high level executives
30
31 from Philips. Philips also engaged in numerous bilateral discussions with other participants.
32
33 Through these discussions, Philips agreed on prices and supply levels for CRTs. Philips never
34
35 effectively withdrew from this conspiracy.

36
37 164. Co-conspirators Philips America and Philips Brazil were represented at those
38
39 meetings and were a party to the agreements entered at them. To the extent Philips America and
40
41 Philips Brazil sold and/or distributed CRT Products to direct purchasers, they played a significant
42
43 role in the conspiracy because Defendants and their co-conspirators wished to ensure that the
44
45 prices for CRT Products paid by direct purchasers would not undercut the CRT pricing
46
47 agreements reached at the glass meetings. Thus, Philips America and Philips Brazil were active,
48
49 knowing participants in the alleged conspiracy.

50
51 165. Between at least 1995 and 2007, co-conspirator Samsung SDI, through Samsung

SDI, Samsung SDI Malaysia, Samsung SDI Shenzhen and Samsung SDI Tianjin, participated in at least 200 glass meetings at all levels. A substantial number of these meetings were attended by the highest ranking executives from Samsung SDI. Samsung SDI also engaged in bilateral discussions with each of the other participants on a regular basis. Through these discussions, Samsung SDI agreed on prices and supply levels for CRTs.

166. Co-conspirators Samsung SDI America, Samsung SDI Brazil and Samsung SDI Mexico were represented at those meetings and were a party to the agreements entered at them. To the extent these companies sold and/or distributed CRT Products, they played a significant role in the conspiracy because Defendants and their co-conspirators wished to ensure that the prices for CRT Products paid by direct purchasers would not undercut the CRT pricing agreements reached at the glass meetings. Thus, Samsung SDI America, Samsung SDI Brazil and Samsung SDI Mexico were active, knowing participants in the alleged conspiracy.

167. Between at least 1998 and 2006, co-conspirator Samtel participated in multiple bilateral discussions with other participants. These meetings were attended by high level executives from Samtel. Through these discussions, Samtel agreed on prices and supply levels for CRTs. Samtel never effectively withdrew from this conspiracy.

168. Between at least 1997 and 2006, co-conspirator Thai CRT participated in multiple glass meetings. These meetings were attended by the highest ranking executives from Thai CRT. Thai CRT also engaged in multiple bilateral discussions with other participants. Through these discussions, Thai CRT agreed on prices and supply levels for CRTs. Thai CRT never effectively withdrew from this conspiracy.

169. Between at least 1995 and 2003, co-conspirator Toshiba, through TC, TDDT and TEDI, participated in several glass meetings. After 2003, Toshiba participated in the CRT conspiracy through MTPD, its joint venture with Panasonic. These meetings were attended by high level sales managers from Toshiba and MTPD. Toshiba also engaged in multiple bilateral discussions with other participants. Through these discussions, Toshiba agreed on prices and

1 supply levels for CRTs. Toshiba never effectively withdrew from this conspiracy.

2
3 170. Co-conspirators Toshiba America, TACP, TAEC and TAIS were represented at
4 those meetings and were a party to the agreements entered at them. To the extent Toshiba
5 America, TACP, TAEC and TAIS sold and/or distributed CRT Products to direct purchasers,
6 they played a significant role in the conspiracy because Defendants and their co-conspirators
7 wished to ensure that the prices for CRT Products paid by direct purchasers would not undercut
8 the CRT pricing agreements reached at the glass meetings. Thus, Toshiba America, TACP,
9 TAEC and TAIS were active, knowing participants in the alleged conspiracy.
10

11
12 171. Between at least 1995 and 2006, co-conspirator Chunghwa, through Chunghwa
13 PT, Chunghwa Malaysia, and representatives from their factories in Fuzhuo (China) and
14 Scotland, participated in at least 100 glass meetings at all levels. A substantial number of these
15 meetings were attended by the highest ranking executives from Chunghwa, including the former
16 Chairman and CEO of Chunghwa PT, C.Y. Lin. Chunghwa also engaged in bilateral discussions
17 with other participants on a regular basis. Through these discussions, Chunghwa agreed on
18 prices and supply levels for CRTs.
19

20
21 172. Between at least 1995 and 2004, co-conspirator Daewoo, through Daewoo
22 Electronics, Orion and DOSA, participated in at least 100 glass meetings at all levels. A
23 substantial number of these meetings were attended by the highest ranking executives from
24 Daewoo. Daewoo also engaged in bilateral discussions with other participants. Through these
25 discussions, Daewoo agreed on prices and supply levels for CRTs. Bilateral discussions
26 involving Daewoo continued until Orion, its wholly-owned CRT subsidiary, filed for bankruptcy
27 in 2004. Daewoo never effectively withdrew from this conspiracy.
28

29 30 31 **E. The CRT Market During the Conspiracy**

32
33 173. Until the last few years of the CRT conspiracy, CRTs were the dominant
34 technology used in displays, including televisions and computer monitors. During the Relevant
35 Period, this translated into the sale of millions of CRT Products, generating billions of dollars in
36

annual profits.

174. The following data was reported by Stanford Resources, Inc., a market research firm focused on the global electronic display industry:

Year	Units Sold (millions)	Revenue (billion US dollars)	Average Selling Price Per Unit
1998	90.5	\$18.9	\$208
1999	106.3	\$19.2	\$181
2000	119.0	\$28.0 ¹	\$235

175. During the Relevant Period, North America was the largest market for CRT TVs and computer monitors. According to a report published by Fuji Chimera Research, the 1995 worldwide market for CRT monitors was 57.8 million units, 28 million of which (48.5 percent) were consumed in North America. By 2002, North America still consumed around 35 percent of the world's CRT monitor supply.

176. Defendants' and co-conspirators' collusion is evidenced by unusual price movements in the CRT Product market during the Relevant Period. In the 1990s, industry analysts repeatedly predicted declines in consumer prices for CRT Products that did not fully materialize. For example, in 1992, an analyst for Market Intelligent Research Corporation predicted that "[e]conomies of scale, in conjunction with technological improvements and advances in manufacturing techniques, will produce a drop in the price of the average electronic display to about \$50 in 1997." Information Display 9/92 p.19. Despite such predictions, and the existence of economic conditions warranting a drop in prices, CRT Product prices nonetheless remained stable.

177. In 1996, another industry source noted that "the price of the 14" tube is at a sustainable USD50 and has been for some years."

178. In early 1999, despite declining production costs and the rapid entry of flat panel display products, the price of large sized color CRTs actually rose. The price increase was

¹ Estimated market value of CRT units sold.

1 allegedly based on increasing global demand. In fact, this price increase was a result of the
2
3 collusive conduct as herein alleged.

4
5 179. After experiencing oversupply of 17" CRTs in the second half of 1999, the
6
7 average selling price of CRTs rose again in early 2000. A March 13, 2000 article in *Infotech*
8
9 *Weekly* quoted an industry analyst as saying that this price increase was “unlike most other PC-
10
11 related products.”

12
13 180. A BNET Business Network news article from August 1998 reported that “key
14
15 components (cathode ray tubes) in computer monitors have risen in price. ‘Although several
16
17 manufacturers raised their CRT prices in the beginning of August, additional CRT price
18
19 increases are expected for the beginning of October While computer monitor price increases
20
21 may be a necessary course of action, we [CyberVision, a computer monitor manufacturer] do not
22
23 foresee a drop in demand if we have to raise our prices relative to CRT price increases.’”

24
25 181. A 2004 article from Techtree.com reports that various computer monitor
26
27 manufacturers, including LG Electronics, Philips and Samsung, were raising the price of their
28
29 monitors in response to increases in CRT prices caused by an alleged shortage of glass shells
30
31 used to manufacture the tubes. Philips is quoted as saying that, “It is expected that by the end of
32
33 September this year [2004] there will be [a] 20% hike in the price of our CRT monitors.”

34
35 182. Defendants and co-conspirators also conspired to limit production of CRTs by
36
37 shutting down production lines for days at a time, and closing or consolidating their
38
39 manufacturing facilities.

40
41 183. For example, CRT factory utilization percentage fell from 90% in the third quarter
42
43 of 2000 to 62% in the first quarter of 2001. This is the most dramatic example of a drop in
44
45 factory utilization. There were sudden drops throughout the Relevant Period but to a lesser
46
47 degree. Plaintiff is informed and believes that these sudden, coordinated drops in factory
48
49 utilization by Defendants and co-conspirators were the result of agreements to decrease output in
50
51 order to stabilize the prices of CRTs.

184. During the latter part of the Relevant Period, while demand in the United States for CRT Products declined, the conspiracy was effective in moderating the normal downward pressures on prices for CRT Products caused by the entry and popularity of the new generation LCD panels and plasma display products. As Finsen Yu, President of Skyworth Macao Commercial Offshore Co., Ltd., a television maker, was quoted in January of 2007: “[t]he CRT technology is very mature; prices and technology have become stable.”

185. During the Relevant Period, there were not only periods of unnatural and sustained price stability, but there were also increases in prices of CRTs and CRT Products. These price increases were despite the declining demand due to the approaching obsolescence of CRT Products caused by the emergence of a new, potentially superior and clearly more popular, substitutable technology.

186. These price increases and price stability in the market for CRT Products during the Relevant Period are inconsistent with a competitive market for a product facing rapidly decreasing demand caused by a new, substitutable technology.

F. International Government Antitrust Investigations of the CRT Conspiracy

187. Defendants’ and co-conspirators’ conspiracy to fix, raise, maintain and stabilize the prices of, and restrict output for, CRTs sold in the United States during the Relevant Period, has been and the subject of a multinational investigation commenced by the Antitrust Division of the United States DOJ.

188. Separately, the European Commission and Japan and South Korea’s Fair Trade Commissions also opened investigations into illegal price-fixing of CRTs that were being sold in Europe and Asia.

189. In its 2008 Annual Report, co-conspirator Toshiba reports that “[t]he Group is also being investigated by the [European] Commission and/or the U.S. Department of Justice for potential violations of competition laws with respect to semiconductors, LCD products, cathode

1 ray tubes (CRT) and heavy electrical equipment.”

2
3 190. On May 6, 2008, the Hungarian Competition Authority (“HCA”) announced its
4
5 own investigation into the CRT cartel. The HCA described the cartel as follows:

6
7 The Hungarian Competition Authority (Gazdasági Versenyhivatal
8 – GVH) initiated a competition supervision proceeding against the
9 following undertakings: Samsung SDI Co., Ltd., Samsung SDI
10 Germany GmbH, Samsung SDI Magyarország Zrt., Thomson TDP
11 sp. Z.o.o., LG Philips Displays Czech Republic s.r.o., LP
12 Displays, Chunghwa Pictures Tubes (UK) Ltd, Chunghwa Pictures
13 Tubes Ltd, Daewoo Orion S.A., Daewoo Electronics Global HQ,
14 Daewoo Electronics European HQ, MT Picture Display Germany
15 GmbH, Matsushita Global HQ, Matsushita European HQ.

16
17 Based on the data available the undertakings mentioned above
18 concerted their practice regarding the manufacturing and
19 distribution of cathode-ray tubes (including coloured pictures tubes
20 and coloured screen tubes) on the European market between 1995
21 and 2007. The anti-competitive behaviour may have concerned the
22 exchange of sensitive market information (about prices, volumes
23 sold, demand and the extent to which capacities were exploited),
24 price-fixing, the allocation of market shares, consumers and
25 volumes to be sold, the limitation of output and coordination
26 concerning the production. The undertakings evolved a structural
27 system and functional mechanism of cooperation.

28
29 According to the available evidences it is presumable that the
30 coordination of European and Asian undertakings regarding to the
31 European market also included Hungary from 1995 to 2007. The
32 coordination concerning the Hungarian market allegedly formed
33 part of the European coordination. Samsung SDI Magyarország.
34 was called into the proceeding since it manufactured and sold
35 cathode-ray tubes in Hungary in the examined period, and it
36 allegedly participated in the coordination between its parent
37 companies.

38
39 191. On February 10, 2009, the DOJ issued a press release announcing that a federal
40
41 grand jury in San Francisco had that same day returned a two-count indictment against the
42
43 former Chairman and Chief Executive Officer of Chunghwa, Cheng Yuan Lin a/k/a C.Y. Lin, for
44
45 his participation in global conspiracies to fix the prices of two types of CRTs used in computer
46
47 monitors and televisions. The press release notes that “[t]his is the first charge as a result of the
48
49 Antitrust Division’s ongoing investigation into the cathode ray tubes industry.” The press release
50
51 further notes that Lin had previously been indicted for his participation in a conspiracy to fix the

COMPLAINT AND JURY DEMAND – 60

1 prices of TFT-LCDs. Mr. Lin's indictment states that the combination and conspiracy to fix the
2 prices of CRTs was carried out, in part, in California.

3
4
5 192. On August 19, 2009, the DOJ issued a press release announcing that a federal
6 grand jury in San Francisco had the previous night returned a one-count indictment against Wu
7 Jen Cheng a/k/a Tony Cheng for his participation in a global conspiracy to fix the prices of
8 CDTs, the type of CRT used in computer monitors. Tony Cheng formerly was an assistant Vice-
9 President of Sales and Marketing at Chunghwa. The press release notes that Cheng previously
10 had been indicted for his participation in a conspiracy to fix the prices of TFT-LCDs. Mr.
11 Cheng's indictment states that the combination and conspiracy to fix the prices of CRTs was
12 carried out, in part, in California.

13
14
15 193. On March 30, 2010, the DOJ issued a press release announcing that a federal
16 grand jury in San Francisco had that same day returned a one-count indictment against Chung
17 Cheng Yeh a/k/a Alex Yeh for his participation in a global conspiracy to fix the prices of CDTs,
18 the type of CRT used in computer monitors. The press release identifies Yeh as a "former
19 director of sales" at "a large-Taiwan based color display tube (CDT) manufacturer." The
20 indictment states that the combination and conspiracy to fix the prices of CRTs was carried out,
21 in part, in California.

22
23
24 194. On November 9, 2010, the DOJ issued a press release announcing that a federal
25 grand jury in San Francisco had that same day returned a one-count indictment against Seung-
26 Kyu Lee a/k/a Simon Lee, Yeong-Ug Yang a/k/a Albert Yang, and Jae-Sik Kim a/k/a J.S. Kim
27 for their participation in a global conspiracy to fix the prices of CDTs, the type of CRT used in
28 computer monitors. The press release identifies Lee, Yang, and Kim as "former executives from
29 two color display tube (CDT) manufacturing companies." The indictment states that the
30 combination and conspiracy to fix the prices of CRTs was carried out, in part, in California.

31
32
33 195. On March 18, 2011, the DOJ issued a press release announcing that it had reached
34 an agreement with co-conspirator Samsung SDI in which it would plead guilty and pay a \$32

1 million fine for its role in a conspiracy to fix prices of CDTs.

2
3 196. Samsung SDI admitted that from at least as early as January 1997 until at least as
4 late as March 2006, it participated in a conspiracy among major CDT producers to fix prices,
5 reduce output, and allocate market shares of CDTs sold in the United States and elsewhere.
6 Samsung SDI admitted that in furtherance of the conspiracy it, through its officers and
7 employees, engaged in discussions and attended meetings with representatives of other major
8 CDT producers. During these discussions and meetings, agreements were reached to fix prices,
9 reduce output, and allocate market shares of CDTs to be sold in the United States and elsewhere.
10 Samsung SDI further admitted that acts in furtherance of the conspiracy were carried in
11 California.
12

13
14 197. The plea agreement of Samsung SDI requires that it cooperate with the DOJ's
15 ongoing investigation of federal antitrust and related criminal laws involving the manufacture or
16 sale of CDTs and CPTs.
17

18
19 198. As described above, in December 2012 the European Commission announced that
20 it fined seven companies for participating in cartels to fix the prices of CRTs lasting almost ten
21 years: Thomson, Samsung SDI, Philips, LG Electronics, Toshiba, Panasonic, and MTPD. The
22 EC concluded that "the cartelists carried out the most harmful anti-competitive practices
23 including price fixing, market sharing, customer allocation, capacity and output coordination and
24 exchanges of commercial sensitive information."
25

26 **G. Effects of the CRT Conspiracy**

27 **1. Examples of Reductions in Manufacturing Capacity**

28
29 199. During the Relevant Period, the conspirators conspired to limit production of
30 CRTs by shutting down production lines for days at a time and closing or consolidating
31 manufacturing facilities.
32

33
34 200. In December of 2004, MTPD closed its American subsidiary's operations in
35 Horseheads, New York, citing price and market erosion. Panasonic announced that the closing
36

1 was part of the company's "global restructuring initiatives in the CRT business." The company
2 further stated that in the future, "CRTs for the North American market will be supplied by other
3 manufacturing locations in order to establish an optimum CRT manufacturing structure."
4

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6
7 201. In July of 2005, LGPD ceased CRT production at its Durham, England facility,
8 citing a shift in demand from Europe to Asia.
9

10
11 202. In December of 2005, MTPD announced that it would close its American
12 subsidiary's operations in Ohio, as well as operations in Germany, by early 2006. Like LG
13 Philips, the company explained that it was shifting its CRT operations to Asian and Chinese
14 markets.
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19 203. In late 2005, Samsung SDI followed the lead of other manufacturers, closing its
20 CRT factory in Germany.
21

22
23 204. In July of 2006, Orion shut down a CRT manufacturing plant in Princeton,
24 Indiana. The same month, Panasonic announced it was shutting down its CRT factory in
25 Malaysia and liquidating its joint venture with Toshiba.
26
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29 **2. Examples of Collusive Pricing for CRTs**

30
31 205. Defendants' collusion is evidenced by unusual price movements in the CRT
32 market. In the 1990s, industry analysts repeatedly predicted declines in consumer prices for
33 CRTs that did not fully materialize. For example, in 1992, an analyst for Market Intelligent
34 Research Corporation predicted that "[e]conomies of scale, in conjunction with technological
35 improvements and advances in manufacturing techniques, will produce a drop in the price of the
36 average electronic display to about \$50 in 1997." Despite such predictions, and the existence of
37 economic conditions warranting a drop in prices, CRT prices nonetheless remained stable.
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45 206. In 1996, another industry source noted that "the price of the 14" tube is at a
46 sustainable USD50 and has been for some years."
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48
49 207. In reality, prices for CRTs never approached \$50 in 1997, and were consistently
50 more than double this price.
51

1 208. Despite the ever-increasing popularity of, and intensifying competition from, flat
2 panel monitors, prices for CRT monitors were “stuck stubbornly at high price levels” throughout
3 1995 according to a *CNET News.com* article. This price stabilization was purportedly due
4 exclusively to a shortage of critical components such as glass. This was a pretext used to conceal
5 the conspiracy.
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11 209. Prices for CRT monitors did fall sharply as a result of the Asian economic crisis
12 of 1998, which severely devalued Asian currencies. This prompted the keynote speaker at Asia
13 Display 1998, an annual conference for the display industry, to state:
14

15 We believe that now is the time to revise our strategic plan in order to survive in
16 his tough environment and also to prepare for the coming years. This means that we have
17 to deviate from the traditional approach of the simple scale up of production volume.
18
19

20
21 210. In early 1999, despite declining production costs and the rapid entry of flat panel
22 display products, the price of large-sized color CRTs actually rose. The price increase was
23 allegedly based on increasing global demand for the products. In fact, this price rise was the
24 result of collusive conduct amongst Defendants.
25
26

27
28 211. After experiencing an oversupply of 17" CRTs in the second half of 1999, the
29 average selling price of CRTs rose again in early 2000. A March 13, 2000 article quoted an
30 industry analyst as saying that this price increase was “unlike most other PC-related products.”
31
32

33 212. On June 1, 2004, LG Electronics raised the prices of its 15" and 17" CRT
34 monitors in India. This price hike was falsely attributed exclusively to a shortage of glass
35 needed to manufacture CRTs.
36
37

38 213. Over the course of the Relevant Period, the price of CRTs remained stable, and
39 in some instances went up in an unexplained manner, despite the natural trend in most
40 technology products to go down over time. CRT technology was mature, and the costs of
41 production were relatively low compared to other emerging technologies. As Finsen Yu,
42 President of Skyworth Macao Commercial Off Shore Co., Ltd, a television maker, was quoted as
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1 saying in January of 2007, “[t]he CRT technology is very mature; prices and technology have
2 become stable.”

3
4 214. CRT prices resisted downward price pressures and remained stable over a period
5 of many years. Even in periods of decreasing prices caused by outside factors, such as the Asian
6 currency crisis, the prices of CRT Products did not decline as much as they would have absent
7 the conspiracy. The stability of the price of CRTs was accomplished by the collusive activities
8 alleged above.
9

10 11 12 13 14 15 **3. Summary Of Effects Of The Conspiracy Involving CRTs**

16 215. The above combination and conspiracy has had the following effects, among
17 others:

- 18
19
20 a. Price competition in the sale of CRTs by Defendants and their co-conspirators
21 has been restrained, suppressed and eliminated throughout the United States;
22
23 b. Prices for CRTs in CRT Products sold by Defendants to Costco directly and
24 indirectly have been raised, fixed, maintained and stabilized at artificially high
25 and noncompetitive levels throughout the United States; and
26
27 c. Costco was deprived of the benefit of free and open competition in the
28 purchase of CRT Products.
29
30 d. As a direct and proximate result of the unlawful conduct of Defendants,
31 Costco was injured in its business and property in that they paid more for CRT
32 Products than it otherwise would have paid in the absence of the unlawful
33 conduct of Defendants.
34
35
36

37 38 **PLAINTIFF’S INJURIES**

39 216. As a purchaser of computer monitors, TVs, and other devices that contained
40 CRTs, Costco suffered a direct, substantial, and reasonably foreseeable injury as a result of
41 Defendants’ conspiracy to raise, fix, stabilize, or maintain the price of CRTs at supra-competitive
42 levels. Defendants’ conspiracy artificially inflated the price of CRTs causing Costco to pay
43 higher prices than they would have in the absence of Defendants’ conspiracy.
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49 217. Costco also purchased CRT Products containing CRTs from OEMs as well as
50 others, which in turn purchased CRTs from Defendants and their co-conspirators. Defendants’
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COMPLAINT AND JURY DEMAND – 65

1 conspiracy affected and artificially inflated the price of CRTs purchased by these OEMs and
2 others, which paid higher prices for CRTs than they would have absent the conspiracy. The
3 conspiracy artificially inflated the prices of CRTs included in CRT Products.
4

5
6
7 218. The OEMs and others passed on to their customers, including Costco, the
8 overcharges caused by Defendants' conspiracy. Thus, Costco suffered injury when it purchased
9 CRT Products containing such price-fixed CRTs from the OEMs and others.
10

11
12 219. Once a CRT leaves its place of manufacture, it remains essentially unchanged as
13 it moves through the distribution system. CRTs are identifiable, discrete physical objects that do
14 not change form or become an indistinguishable part of a CRT Product. Thus, CRTs follow a
15 physical chain from Defendants through manufacturers of CRT Products sold to Costco.
16

17
18 220. The market for CRTs and the market for CRT Products are inextricably linked
19 and cannot be considered separately. Defendants are well aware of this intimate relationship.
20

21
22 221. Throughout the Relevant Period, Defendants and their co-conspirators controlled
23 the market for CRTs. Consequently, during the Relevant Period, the OEMs had no choice but to
24 purchase CRTs from Defendants and others at prices that were artificially inflated, fixed and
25 stabilized by Defendants' conspiracy.
26

27
28 222. As a result, Costco was injured in connection with its purchases of CRT Products
29 during the Relevant Period.
30

31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51

FRAUDULENT CONCEALMENT

223. Costco had neither actual nor constructive knowledge of the facts supporting its
claims for relief despite diligence in trying to discover the pertinent facts. Costco did not
discover, and could not have discovered through the exercise of reasonable diligence, the
existence of the conspiracy alleged herein. Defendants engaged in a secret conspiracy that did
not give rise to facts that would put Costco on inquiry notice that there was a conspiracy to fix
the prices of CRTs.

224. Because Defendants' agreement, understanding, and conspiracy were kept secret,

1 Costco was unaware of Defendants' unlawful conduct alleged herein and did not know that it
2 was paying artificially high prices for CRT Products.
3

4 225. The affirmative acts of Defendants alleged herein, including acts in furtherance
5 of the conspiracy, were wrongfully concealed and carried out in a manner that precluded
6 detection. As noted above, Defendants and their co-conspirators organized glass meetings to
7 avoid detection, conducted bilateral meetings in secret and agreed at glass meetings to
8 orchestrate the giving of pretextual reasons for their pricing actions and output restrictions.
9 Defendants and their co-conspirators would coordinate and exchange in advance the texts of the
10 proposed communications with customers containing these pretextual statements and would
11 coordinate which co-conspirator would first communicate these pretextual statements to
12 customers.
13

14 226. By its very nature, Defendants' price-fixing conspiracy was inherently self-
15 concealing.
16

17 227. Costco could not have discovered the alleged contract, conspiracy, or
18 combination at an earlier date by the exercise of reasonable diligence because of the deceptive
19 practices and techniques of secrecy employed by Defendants and their co-conspirators to avoid
20 detection of, and fraudulently conceal, their contract, conspiracy or combination. The contract,
21 conspiracy, or combination as herein alleged was fraudulently concealed by Defendants by
22 various means and methods, including, but not limited to, secret meetings, surreptitious
23 communications between Defendants by the use of the telephone or in-person meetings in order
24 to prevent the existence of written records, discussion on how to evade antitrust laws and
25 concealing the existence and nature of their competitor pricing discussions from non-
26 conspirators (including customers).
27

28 228. Defendants and their co-conspirators agreed not to publicly discuss the existence
29 or nature of the conspiracy or their agreements. Meetings related to CDTs and CPTs were held
30 separately to avoid detection. Participants at glass meetings were also told not to take minutes.
31

32 COMPLAINT AND JURY DEMAND – 67

1 Attending companies also reduced the number of their respective attendees to maintain secrecy.
2
3 During these meetings, top executives and other officials attending these meetings were
4
5 instructed on more than once occasion not to disclose the fact of these meetings to outsiders, or
6
7 even to other employees of Defendants not involved in CRT pricing or production. In fact, the
8
9 top executives who attended conspiracy meetings agreed to stagger their arrivals and departures
10
11 at such meetings to avoid being seen in public with each other and with the express purpose and
12
13 effect of keeping them secret.

14
15 229. [REDACTED]
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17 [REDACTED]
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21 [REDACTED]
22 [REDACTED]
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49 230. [REDACTED]
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31
32 231. Defendants also agreed at glass meetings and bilateral meetings to give
33 pretextual reasons for price increases and output reductions to their customers.
34

35 232. As alleged above, in early 1999, despite declining production costs and the rapid
36 entry of flat panel display products, the price of large-sized color CRTs actually rose. The price
37 increase was allegedly based on increasing global demand for the products. In fact, this price
38 increase was allegedly based on increasing global demand for the products. In fact, this price
39 rise was the result of collusive conduct amongst Defendants, which was undisclosed at the time.
40
41

42 233. As alleged above, despite increased competition from flat panel monitors, prices
43 for CRT monitors were stuck stubbornly at high price levels throughout 2001. This price
44 stabilization was purportedly due exclusively to a shortage of critical components such as glass.
45
46 This was a pretext used to cover up the conspiracy.
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1 234. In addition, when several CRT manufacturers, including Samsung, Philips and
2 LG Electronics, increased the price of CRTs in 2004, the price hike was blamed on a shortage of
3 glass shells use for manufacturing CRT monitors. In justifying this price increase, a Deputy
4 General Manager for an LG Electronics distributor in India stated, “[t]his shortage [of glass
5 shells] is a global phenomena and every company has to increase the prices of CRT monitors in
6 due course of time.”
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12 235. Manufacturers such as LG Electronics periodically issued press statements
13 falsely asserting that CRT prices were being driven lower by intense competition.
14
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16 236. Plaintiff is informed and believes, and thereon alleges, that the purported reasons
17 for the price increases of CRTs were materially false and misleading and made for the purpose of
18 concealing the conspirators anti-competitive scheme as alleged herein.
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21

22 237. As a result of Defendants’ and their co-conspirators’ fraudulent concealment of
23 their conspiracy, the running of any statute of limitations has been tolled with respect to any
24 claims that Plaintiff has as a result of the anticompetitive conduct alleged in this complaint.
25
26
27

28 TOLLING

29 238. As discussed at length above, the United States Department of Justice instituted
30 criminal proceedings and investigations against several participants in the conspiracy
31 commencing on at least February 10, 2009. Costco’s claims were tolled during these criminal
32 proceedings pursuant to 15 U.S.C. § 16.
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38 239. Costco’s claims were tolled under *American Pipe & Construction Co. v. Utah*,
39 414 U.S. 538 (1974), and related authorities recognizing cross-jurisdictional tolling during the
40 pendency of the Direct Purchaser Class actions asserted against the participants in the CRT
41 price-fixing scheme and commenced on at least November 26, 2007. Costco was a member of
42 the Direct Purchaser Class Actions, including, but not limited to, the following Complaints:
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- 49 • *Crago, Inc. v. Chunghwa Picture Tubes, Ltd., et al.*, No. 3:07-cv-05944-SC
50 (Dkt. No. 1) (N.D. Cal. Nov. 26, 2007);
51

- *Radio & TV Equipment, Inc. v. Chunghwa Picture Tubes, Ltd.*, No. 2:08-cv-00542-JAG, (D. N.J. Jan. 28, 2008);
- *Sound Investments Corp. v. Chunghwa Picture Tubes, Ltd.*, No. 2:08-cv-00543-JAG (D. N.J. Jan. 28, 2008);
- Direct Purchaser Plaintiffs' Consolidated Amended Complaint, No. 3:07-cv-05944-SC (Dkt. No. 436) (N.D. Cal. Mar. 16, 2009).

CLAIM FOR VIOLATIONS

FIRST CAUSE OF ACTION (Violation of Section 1 of the Sherman Act)

240. Plaintiff incorporates by reference all the above allegations as if fully set forth herein.

241. Beginning no later than March 1, 1995, the exact date being unknown to Costco and exclusively within the knowledge of Defendants, Defendants and their co-conspirators entered into a continuing contract, combination, or conspiracy to unreasonably restrain trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1) by artificially reducing or eliminating competition in the United States.

242. In particular, Defendants and their co-conspirators combined and conspired to raise, fix, maintain, or stabilize the prices of CRTs sold in the United States.

243. As a result of Defendants' unlawful conduct, prices for CRTs were raised, fixed, maintained and stabilized in the United States.

244. The contract, combination or conspiracy among Defendants consisted of a continuing agreement, understanding, and concerted action among Defendants and their co-conspirators.

245. For purposes of formulating and effectuating their contract, combination or conspiracy, Defendants and their co-conspirators did those things they contracted, combined, or conspired to do, including:

- a. participating in meetings and conversations to discuss the prices and supply of CRTs;

- b. communicating in writing and orally to fix target prices, floor prices and price ranges for CRTs;
- c. agreeing to manipulate prices and supply of CRTs sold in the United States in a manner that deprived direct purchasers of free and open competition;
- d. issuing price announcements and price quotations in accordance with the agreements reached;
- e. selling CRTs to customers in the United States at noncompetitive prices;
- f. exchanging competitively sensitive information in order to facilitate their conspiracy;
- g. agreeing to maintain or lower production capacity; and
- h. providing false statements to the public to explain increased prices for CRTs.

246. As a result of Defendants' unlawful conduct, Costco was injured in its businesses and property in that it paid more for CRT Products than they otherwise would have paid in the absence of Defendants' unlawful conduct.

SECOND CAUSE OF ACTION
(Violation of the California Cartwright Act, Cal. Bus. & Prof. Code § 16700 *et seq.*)

247. Plaintiff incorporates and realleges, as though fully set forth herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

248. During the Relevant Period, Costco conducted a substantial volume of business in California. In particular, Costco purchased and sold more such CRT Products in California than in any other state during the Relevant Period. Decisions among approved vendors and as to volumes to purchase were made in, and Costco purchase orders were created in and issued from, regional offices located in multiple states including California. Costco issued more purchase orders for CRT Products from California than from any other state. The purchase orders reflected the volumes affected by and incorporated the supra-competitive prices resulting from the conspiracy. Costco received far more CRT Products in California than in any other state.

249. In addition, co-conspirators LG Display, Samsung SDI and Toshiba all maintained offices in California during the Relevant Period. Employees at locations in

1 California participated in meetings and engaged in bilateral communications in California and
2 intended and did carry out anticompetitive agreement to fix the price of CRTs. Samsung SDI
3 admitted in its plea agreement that acts in furtherance of the conspiracy were carried out in
4 California. Defendants' conduct within California thus injured Plaintiff, both in California and
5 throughout the United States.
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11 250. Beginning at a time presently unknown to Plaintiff, but at least as early as March
12 1, 1995, and continuing thereafter at least up to and including at least November 25, 2007,
13 Defendants and their co-conspirators entered into and engaged in a continuing unlawful trust in
14 restraint of the trade and commerce described above in violation of the Cartwright Act,
15 California Business and Professional Code Section 16720. Defendants have each acted in
16 violation of Section 16720 to fix, raise, stabilize and maintain prices of, and allocate markets for,
17 CRTs at supra-competitive levels. Defendants' conduct substantially affected California
18 commerce.
19

20
21 251. The aforesaid violations of Section 16720, California Business and Professional
22 Code, consisted, without limitation, of a continuing unlawful trust and concert of action among
23 Defendants and their co-conspirators, the substantial terms of which were to fix, raise, maintain
24 and stabilize the prices of, and to allocate markets for, CRTs.
25

26
27 252. For the purpose of forming and effectuating the unlawful trust, Defendants and
28 their co-conspirators have done those things that they combined and conspired to do, including
29 but in no way limited to the acts, practices and course of conduct set forth above and the
30 following:
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35 a. to fix, raise, maintain and stabilize the price of CRTs;
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37 b. to allocate markets for CRTs amongst themselves;
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39 c. to submit rigged bids for the award and performance of certain CRTs
40 contracts; and
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42 d. to allocate among themselves the production of CRTs.
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1 253. The combination and conspiracy alleged herein has had, among other things, the
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3 following effects:
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- 5 a. price competition in the sale of CRTs has been restrained, suppressed and/or
6 eliminated in the State of California;
7
8 b. prices for CRTs sold by Defendants, their co-conspirators, and others have
9 been fixed, raised, maintained and stabilized at artificially high, non-
10 competitive levels in the State of California; and
11
12 c. those who purchased CRT Products containing price-fixed CRTs from
13 Defendants, their co-conspirators, and others have been deprived of the
14 benefit of free and open competition.
15
16

17 254. As a result of the alleged conduct of Defendants, Costco paid supra-competitive,
18
19 artificially inflated prices for the CRT Products it purchased during the Relevant Period.
20

21 255. As a direct and proximate result of Defendants' conduct, Plaintiff has been
22
23 injured in its business and property by paying more for CRT Products containing price-fixed
24
25 CRTs sold by Defendants, their co-conspirators and others than it would have paid in the absence
26
27 of Defendants' combination and conspiracy. As a result of Defendants' violation of Section
28
29 16720 of the California Business and Professional Code, Plaintiff is entitled to treble damages
30
31 and the costs of suit, including reasonable attorneys' fees, pursuant to Section 16750(a) of the
32
33 California Business and Professions Code.
34

35 256. Even CRT Product manufacturers who were not part of the conspiracy charged
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37 higher prices than they otherwise would have when they were forced to pay supra-competitive
38
39 prices for CRT panels due to the conspiracy. These manufacturers passed on to their customers,
40
41 including Costco, overcharges caused by Defendants' and their co-conspirators' conspiracy.
42
43 Costco was not able to pass on to its customers all of the overcharge caused by the conspiracy.
44
45 Thus, Costco suffered injury whenever it purchased CRT Products that incorporated panels made
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47 by Defendants and their co-conspirators.
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**THIRD CAUSE OF ACTION
(Violation of California Unfair Competition Law)**

257. Plaintiff incorporates and realleges, as though fully set forth herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

258. Defendants have engaged in unfair competition in violation of California's Unfair Competition Law, California Business and Professional Code § 17200 *et seq.*

259. This Complaint is filed, and these proceedings are pursuant to Sections 17203 and 17204 of the California Business & Professions Code, to obtain restitution from Defendant of all revenues, earnings, profits compensation, and benefits that they obtained as a result of their unlawful, unfair, and fraudulent conduct.

260. The unlawful, unfair, and fraudulent business practices of Defendants, as alleged above, injured Plaintiff and members of the public in that Defendants' conduct restrained competition, causing Costco and others to pay supra-competitive and artificially inflated prices for CRT Products.

- a. Defendants' Unlawful Business Practices: As alleged, Defendants violated Section 1 of the Sherman Act and the California Cartwright Act by entering into and engaging in a continuing unlawful trust in restraint of trade and commerce. Defendants illegally conspired, combined, and agreed to fix, raise, maintain, and/or stabilize prices, and to restrict the output of CRTs.
- b. Defendants' Unfair Business Practices: As alleged above, Defendants violated Section 1 of the Sherman Act and the California Cartwright Act by entering into and engaging in a continuing unlawful trust in restraint of trade and commerce. Defendants illegally conspired, combined, and agreed to fix, raise, maintain, and/or stabilize prices, and to restrict the output of CRTs.
- c. Defendants' Fraudulent Business Practices: As alleged above, Defendants took affirmative actions to conceal their collusive activity by keeping meetings with coconspirators secret and making false public statements about the reasons for artificially inflated prices of CRTs. Members of the public were likely to be deceived, and Costco was in fact deceived by Defendants' fraudulent actions. As a result of Defendants' unfair competition, Plaintiff suffered injury in fact and has lost money or property.

261. The acts, omissions, misrepresentations, practices, and non-disclosures of Defendants, as described above, constitute a common, continuous, and continuing course of

1 conduct of unfair competition by means of unfair, unlawful, and/or fraudulent business acts or
2 practices with the meaning of Section 17200 *et seq.*

3
4 262. Defendants' acts, omissions, misrepresentations, practices, and non-disclosures
5 are unfair, unconscionable, unlawful, and/or fraudulent independently of whether they constitute
6 a violation of the Sherman Act or the Cartwright Act.
7
8

9
10 263. Defendants' acts or practices are fraudulent or deceptive within the meaning of
11 Section 17200 *et seq.*
12

13
14 264. By reason of the foregoing, Plaintiff is entitled to full restitution and/or
15 disgorgement of all revenues, earnings, profits, compensation, and benefits that may have been
16 obtained by Defendants as result of such business acts and practices described above.
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18
19

20
21 **FOURTH CAUSE OF ACTION**
22 **(Violation of the Washington Consumer Protection Act, RCW 19.86.030)**
23

24 265. Plaintiff incorporates and realleges, as though fully set forth herein, each and
25 every allegation set forth in the preceding paragraphs of this Complaint.
26

27
28 266. Beginning no later than March 1, 1995, the exact date being unknown to Costco
29 and exclusively within the knowledge of Defendants, Defendants and their co-conspirators
30 entered into a continuing contract, combination, or conspiracy to unreasonably restrain trade and
31 commerce in violation of the Washington Consumer Protection Act, RCW 19.86.030.
32
33

34 267. As a result of Defendants' unlawful conduct, Costco was injured in its business
35 and property in that it paid more for CRT Products than it otherwise would have paid in the
36 absence of Defendants' unlawful conduct, and lost sales of CRT Products.
37
38

39 268. Even CRT Product manufacturers who were not part of the conspiracy charged
40 higher prices than they otherwise would have when they were forced to pay supra-competitive
41 prices for CRT panels due to the conspiracy. These manufacturers passed on to their customers,
42 including Costco, overcharges caused by Defendants' and their co-conspirators' conspiracy.
43 Costco was not able to pass on to its customers all of the overcharge caused by the conspiracy.
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1 Thus, Costco suffered injury whenever it purchased CRT Products that incorporated panels made
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3 by Defendants and their co-conspirators.
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5 **FIFTH CAUSE OF ACTION**
6 **(Violation of the Arizona Antitrust Act, Ariz. Rev. Stat. § 14-1401 *et seq.*)**
7

8 269. Plaintiff incorporates and realleges, as though fully set forth herein, each and
9
10 every allegation set forth in the preceding paragraphs of this Complaint.
11

12 270. Beginning no later than March 1, 1995, the exact date being unknown to Costco
13
14 and exclusively within the knowledge of Defendants, Defendants and their co-conspirators
15
16 entered into a continuing contract, combination, or conspiracy to unreasonably restrain trade and
17
18 commerce in violation of the of the Arizona Antitrust Act, Ariz. Rev. Stat. § 14-1401 *et seq.*
19

20 271. As a result of Defendants' unlawful conduct, Costco was injured in its business
21
22 and property in that it paid more for CRT Products than it otherwise would have paid in the
23
24 absence of Defendants' unlawful conduct, and lost sales of CRT Products.
25

26 272. Even CRT Product manufacturers who were not part of the conspiracy charged
27
28 higher prices than they otherwise would have when they were forced to pay supra-competitive
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30 prices for CRT panels due to the conspiracy. These manufacturers passed on to their customers,
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32 including Costco, overcharges caused by Defendants' and their co-conspirators' conspiracy.
33
34 Costco was not able to pass on to its customers all of the overcharge caused by the conspiracy.
35
36 Thus, Costco suffered injury whenever it purchased CRT Products that incorporated panels made
37
38 by Defendants and their co-conspirators.
39

40 **SIXTH CAUSE OF ACTION**
41 **(Violation of the Florida Deceptive and Unfair Trade Practices Act, Florida Stat.**
42 **§ 501.201, *et seq.*)**
43

44 273. Plaintiff incorporates and realleges, as though fully set forth herein, each and
45
46 every allegation set forth in the preceding paragraphs of this Complaint.
47

48 274. Beginning no later than March 1, 1995, the exact date being unknown to Costco
49
50 and exclusively within the knowledge of Defendants, Defendants and their co-conspirators
51

engaged in unfair competition in violation of the Florida Deceptive and Unfair Trade Practices Act, Florida Stat. § 501.201, *et seq.*

275. Defendants and their co-conspirators committed acts of unfair competition by engaging in a conspiracy to fix and stabilize the price of CRT Panels as described above.

276. Defendants' and their co-conspirators' acts, omissions, misrepresentations, practices, and non-disclosures are unfair, unconscionable, unlawful, and fraudulent independently of whether they constitute a violation of the Sherman Act.

277. Defendants' and their co-conspirators' acts are fraudulent or deceptive.

278. As a result of Defendants' unlawful conduct, Costco was injured in its business and property in that it paid more for CRT Products than it otherwise would have paid in the absence of Defendants' unlawful conduct, and lost sales of CRT Products.

279. Even CRT Product manufacturers who were not part of the conspiracy charged higher prices than they otherwise would have when they were forced to pay supra-competitive prices for CRT panels due to the conspiracy. These manufacturers passed on to their customers, including Costco, overcharges caused by Defendants' and their co-conspirators' conspiracy. Costco was not able to pass on to its customers all of the overcharge caused by the conspiracy. Thus, Costco suffered injury whenever it purchased CRT Products that incorporated panels made by Defendants and their co-conspirators.

SEVENTH CAUSE OF ACTION
(Violation of the Illinois Antitrust Act, 740 Illinois Code 10/1 *et seq.*)

280. Plaintiff incorporates and realleges, as though fully set forth herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

281. Beginning no later than March 1, 1995, the exact date being unknown to Costco and exclusively within the knowledge of Defendants, Defendants and their co-conspirators entered into a continuing contract, combination, or conspiracy to unreasonably restrain trade and commerce in violation of the of the Illinois Antitrust Act, 740 Illinois Code 10/1 *et seq.*

1 282. During the Relevant Period, each of the Defendants named herein, directly, and
2 through affiliates or subsidiaries or agents they dominated and controlled, manufactured, sold,
3 and/or distributed CRT Products in commerce in the United States, including Illinois.
4 Defendants' conspiracy constituted a conspiracy among competitors with the purpose and effect
5 of restraining, suppressing and/or eliminating competition in the sale of CRT Products in Illinois
6 and fixing, raising, maintaining and stabilizing CRT Product prices in Illinois at artificially high,
7 noncompetitive levels. Defendants' conduct and fraudulent concealment caused injury to
8 Costco, as both a direct and indirect purchaser, as Defendants' supra-competitive prices were
9 passed on to Costco as a purchaser.
10

11 283. Defendants' conspiracy substantially affected Illinois commerce and
12 unreasonably restrained trade in Illinois.
13

14 284. During the Conspiracy Period, Costco conducted a substantial volume of
15 business in Illinois. Costco sold CRT Products and other products in retail stores in Illinois and
16 on the Internet to Illinois customers. In addition, Costco maintained in Illinois inventories of
17 CRT Products manufactured and sold by defendants, their co-conspirators, and others. As a
18 result of Costco's presence in Illinois and the substantial business it conducted in Illinois, Costco
19 is entitled to the protection of the laws of Illinois; and
20

21 285. As a direct and proximate result of defendants' conduct, Costco was injured by
22 paying more for CRT Products purchased in Illinois from defendants, their co-conspirators and
23 others than it would have paid in the absence of defendants' combination and conspiracy, and are
24 entitled to relief under the Illinois Antitrust Act.
25

26 286. Even CRT Product manufacturers who were not part of the conspiracy charged
27 higher prices than they otherwise would have when they were forced to pay supra-competitive
28 prices for CRT panels due to the conspiracy. These manufacturers passed on to their customers,
29 including Costco, overcharges caused by Defendants' and their co-conspirators' conspiracy.
30 Costco was not able to pass on to its customers all of the overcharge caused by the conspiracy.
31

1 Thus, Costco suffered injury whenever it purchased CRT Products that incorporated panels made
2
3 by Defendants and their co-conspirators.

4
5 **JURY DEMAND**

6
7 Pursuant to Federal Rule of Civil Procedure 38(b), Costco demands a trial by jury as to
8
9 all issues so triable in this action.

10
11 **RELIEF**

12
13 Costco requests that the Court enter judgment on its behalf that:

14
15 A. Defendants engaged in a contract, combination, and conspiracy in violation of
16
17 Section 1 of the Sherman Act (15 U.S.C. § 1); the California Cartwright Act, Cal. Bus. & Prof.
18
19 Code § 16700 *et seq.*, the California Unfair Competition Law; the Washington Consumer
20
21 Protection Act, R.C.W. 19.86; the Arizona Antitrust Act, Ariz. Rev. Stat. § 14-1401 *et seq.*; the
22
23 Florida Deceptive and Unfair Trade Practices Act, Florida Stat. § 501.201, *et seq.*; and the
24
25 Illinois Antitrust Act, 740 Illinois Code 10/1 *et seq.*, and Plaintiff was injured in its business and
26
27 property as a result of Defendants' violations;

28
29 B. Costco shall recover damages sustained by it, as provided by the state and federal
30
31 antitrust laws, in an amount to be trebled in accordance with such laws, jointly and severally
32
33 against each Defendant;

34
35 C. Defendants, their subsidiaries, affiliates, successors, transferees, and assignees,
36
37 and their officers, directors, partners, agents, and employees, and all other persons acting or
38
39 claiming to act on their behalf, shall be permanently enjoined and restrained from continuing and
40
41 maintaining the alleged combination, conspiracy, or agreement;

42
43 D. Costco shall be awarded pre-judgment and post-judgment interest at the highest
44
45 legal rate from the date of the initial direct purchaser complaint;

46
47 E. Costco shall recover its costs of this suit, including reasonable attorneys' fees as
48
49 provided by law; and

50
51 F. Costco shall recover such other and further relief as the Court deems just.

COMPLAINT AND JURY DEMAND – 80

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2
3 DATED: November 12, 2013

4 s/ David J. Burman

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COMPLAINT AND JURY DEMAND – 81